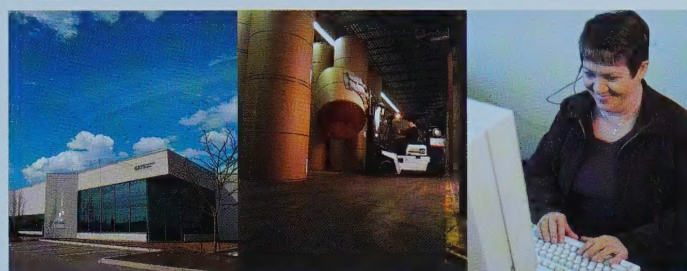


• Columbia BCBC L4320 • Danfoss Couriers • Western Rubber Products • Crown Forest Industries • Mueller Flow Control • ALBERTA All Rush Distribution Centre Inc. • Sokil Transportation Group • Southern Tube Ltd. • J.A.S. Industrial Services • Powderful Custom Coatings • Beatrice Foods Inc. • Burnham Logistics • BC Belting • Fitness Depot • Akzo Nobel Coatings Ltd. • Calgary Caretaking • Aca Audio Visual Ltd. • CFM Air Equipment • All Weather Windows • Akrilon Industries Inc. • Ronsco Inc. • Capital Paper Recycling • Motion Industries • Hogedal Furniture • All Brite Metal Fin. • Capital Industrial Sales • Canwest Textiles • Clarke Transport Canada • MDS Warehouse • North American Profiles • MacGavin Foods Limited • Sears Canada Inc. • Iron Mountain Canada • Kadon Electro Mech. • Process Color Print • Kova Engineering Ltd. • Tri-Jay Carpets • P.S. Graphics • A-1 Signs • WFF Fittings & Flanges • Premier Packaging • NSI Holdings Inc. • Perfect Distributors • Crown Express • Keaco Services • DW Gill Supply Company • Torchinsky Engineering • Custom Polyrecycling • Chariot Carriers • Walls Alive Ltd. • Cal-Ed Carpet • Gilchrist Data Fax • Norwesco Industries • Francis Food Dist. • Con-Way Canada • Carmacks Enterprise • Amici Enterprises • TCT Canada Logistics • The Cedargien Group • HJ Heinz Company • CNC Proficient Machine • Diagnostic Engineering • CCD Western Limited • Regal Building material • Inland Audio Visual • Bock Roofing • Kitchen & Patio • Gentek Building Products • Caremark Ltd. • Regal Building Material • Trans-Frt. McNamara Inc. • Worldwide Specialty Foods • Quality Cold Storage • H&R Block • Shaw Cablesystems • Creative Door Services • Vitality Foodservice • McIntyre Group Office Solutions • Siemens Building Technology • Contemporary Office Services • Public Works Supply & Services • Totem Building Supplies • Aspen Family & Community Network • Inglis Limited • Dejong Printing • Honeywell • Culligan • Rival Express • Big Eight Importers • Sturgeon Valley Athletic Centre • Pro Show Services • Canpar Transport • Hostess Frito Lay • A.M. Castle & Co. • EMCO Limited • CN Rail • Costco Wholesale and Printworks Ltd. • Data Business Forms Ltd. • Weatherford • Boncor Building • Formations Inc. • Dana Canada • Hi Tech Heat Treating • Swarm Enterprises Ltd. • Mobil Shred • PPG Canada Inc. • 7-Eleven Canada • Hitech Norway Ltd. • Hothouse Design Studio • Albrico Services • Hinz Automation Inc. • Altelec Engineering • Raven Manufacturing • Innovative Plastics • MDC Communications Corp. • CFCW Broadcasting • Sunny Patio Furnishings • MTE Logistix • Toxon Health Sciences • Rose Scientific Ltd. • MSA Canada Inc. • Cloverdale Paint Inc. • Canadian Springs Water • Pamalat Dairy • Serca Food Services Inc. • Sobeys Canada Inc. • AGS Group Inc. • Superior Pallett Corp • Hardwood Direct • Luscar • Vipond Fire Protection • Flyer Force • Pacific Radiator • MANITOBA Morrow Environmental • Powell Equipment

• R-Con Centres Inc. • Burnham Logistics Inc. • Can-For Weldwood • The Great West Life Assurance Co. • Emco • Crystalplex • Canadian Inovatech Inc. • Regal Greetings & Gifts Ltd. • Jostens Canada Ltd. •



summit REIT

ANNUAL REPORT 2001

Canada's Provider of Light Industrial / Flex Space

Standard Auto Glass • Brinks Canada Inc. • Salisbury House • Labatt Manitoba Brewing • Unisys Canada Inc. • Dept. of Public Works • Danka Canada Ltd. • Dynaventure Corp • Transcontinental Print and Gescan • ONTARIO Gentek Building products • Atlas Paper Bag Co. • RVA Exhibits • Carleton Technologies • Next Trend Designs Inc. • OZAWA Canada • Fairchild • Keith Mowling • Creative Space • Rody & Co. Marketing • Greenleaf Distribution • Sigma Moulders • Key Plastics • J&R Gas • American National Canada Inc. • Saicon Fashions • M.R. & M. Bilsky Corp • CTF Supply • Walsh Pharmaceutical • Hotline Express Delivery Services • Strategic Packaging Inc. • Westbrook Technologies • Wood Wyant Inc. • Quality Service Program • Liftow Limited • Devro-Teepak • GI Seafood • RB & W Corporation • NCS International Warehouse Storage • Georgetown Store Fixtures • Famlife Furniture & Supply Co. • Hitch City • Ferrara Pan Candy • Cope Marketing • Komme International • Imperial Brass • Voxcom • Oxford Development • Yorkland Controls • Ferrara Pan Canada • Jason Industrial • Plas Weld • The Paper Express Shop • A&P Properties Ltd. • Brambles Canada Ltd. • Trusea Technologies Ltd. • Roff International Inc. • Schifffenhaus Canada Inc. • The Canada Trust Company • Interprint Services (1978) Inc. • Permatech Electronics • Canadian Clothing • Magnus Pen • Goldcoaster • Prothane Ltd. • Canadian Red Cross • Nestle • Sheridan Park Association • Bestbuy Distributors Limited. • Canberra Packard Canada Ltd. • Pioneer Standard Electronics • United Parcel Service • Make-Up Art Cosmetics Manufacturing • Artisan Screen Print Ltd. • Instep Electronics & Shaleen • Micris One Manufacturing & Distribution • Lind Furniture (Canada) • Polyone Distribution Canada Inc. • Peacebridge Brokerage Limited • Canada Woodtape Inc. • Moreau Promotional Services • J.F.B. Technologies Inc. • FarleyCo Market Inc. • Nitta Castings (Canada) Inc. • Rayovac Canada Inc. • Sifto Canada Inc. • Tereve Holdings Limited • Ademco Group Canada • Formet Industries • Ryder Truck Rental Canada Ltd. • Effem Inc. • National Archives • Echo Inc. • FPI Fireplace Products International • Photon Technology Limited • Emco • Medis Health & Pharm. • All Continents • Source FM • MCL Construction & Services Ltd. • Manotick Pool & Spa Inc. • MCL Hospitality Ltd. • Busy Bee Machine Tools • ICI Paints • CCR • Canadian Health • Government of Canada • Tire Stars Group Inc. • Bluebird Transportation Systems • Royal Canadian Mint • Canwell • QUEBEC Qualum Inc. • Intertek Testing Services NA • Medias Transcontinental • Johnston Industrial Plastics • Les Fermes D'Athelstan Inc. • Nippon Express Canada Ltd. • Bestar Marketing Inc. • Access Direct Inc. • Gage Applied Inc. • Entrepotage et Logistique D.I. • Valmet Fibertech Ltd. • Le Naturiste JMB Inc. • Distribution Quebec Den • Paper & Board Products • Impressions Intra-Media • Disca Automatisation • Installations de Bureau • Commercial Alcohols Int. • Brasserie Seigneuriale • Éditions Mortagne • Groupe Ultra-Pac Inc. • Sopar Cosmetiques Inc. • SDCM Inc. • Burnham Logistics Inc. • Distributions Mep Inc. • Sports d'Argenson • Serti Informatique • Johnson Controls Ltd. • Les Planchers Nova • Lumen • Mon-Ter-Val • Historia International •

Service Mates • Rite-Tek • Pharmacia & Upjohn • Carrier Canada • Recuperation Jeunesse • Avcorp Industries • Profom • Eastern Independent Tel. • Convexpert
 inc. • Distribution Metropole • Daemar Inc. • Les Distributions PPM • Multifor Limited • Cancurl • Cancino Technologies • Distribution Alimentaire • Viterie
 Gassard • Europack Deménagement • Fisher Scientific Limited • Syscan International Inc. • SAQ • National Safety Equipment • Marquez Transtech Ltd. •
 Asclandes Golder Inc. • Omega Sewmack Inc. • ISO Tech Designs • Len-Jay Inc. • Mini Micro Supply, Ernest Green & Son • Natursource Inc. • Adorable Junior
 Garment • Keystone Industries, Servident • Miranda Media Networks **NOVA SCOTIA** Nationwide Warehouse & Storage • Import Tool Corp Ltd. • Eastern
 Bakeries Ltd. • Atlantic Lottery Corp Inc. • RCMP • CDN-NS Offshore Petroleum Board • Walker Exhausts • Vopak Canada Ltd. • RJ Spagnol's • MI Drilling Fluids
 • Medic Delivery Services • Eisener's Transport Ltd. • Kinecor Inc. • Mitten Vinyl Inc. • The Fastener Center • RCS Retail Construction • The Allen Print
 Livingston Int. • Vita-Aire Company • Karlo Corp. • Humpty Dumpty • Allied Reclamation • GE Polymershapes • Reliable Parts Limited • Staples Business Dep
 • Pax Properties Ltd. • WESCO Distribution • Sun Chemical Ltd. • Aliant ActiMedia • Honda Canada Inc. • Liteco Inc. • Honeywell Ltd. • Siemens Canada Ltd. •
 Canadian Chartered Bank **FLORIDA** NuveII Financial Services Corp. • Productivity Solutions • Laufen International • Dal-Tile Corporation • Lennox Industries
 Inc. • Service Champ • American Wholesale Building • Contec International • H. Lee Moffitt Cancer Center • Musculoskeletal Institute **NORTH CAROLINA**
 First Data Investors **SASKATCHEWAN** Saskatchewan Liquor & Gaming Authority • Hleck Kanuka Thuringer Inc. • Saskatchewan Pty. Mgmt. Corp. • Public
 Works & Comm. Serv. Can. **BRITISH COLUMBIA** BCBC L4320 • Danfoss Couriers • Western Rubber Products • Crown Forest Industries • Mueller Flow Control
ALBERTA All-Push Distribution Centre Inc. • Sokil Transportation Group • Southern Tube Ltd. • J.A.S. Industrial Services • Powerful Custom Coatings •
 Beatrice Foods Inc. • Burnham Logistics • BC Belting • Fitness Depot • Akzo Nobel Coatings Ltd. • Calgary Caretaking • Aca Audio Visual Ltd. • CFM Air
 Equipment • All Weather Windows • Akrilon Industries Inc. • Ronsco Inc. • Capital Paper Recycling • Motion Industries • Hogedal Furniture • All Brite Metal Fin
 • Capital Industrial Sales • Canwest Textiles • Clarke Transport Canada • MDS Warehouse • North American Profiles • MacGavin Foods Limited • Sears Canada
 Inc. • Iron Mountain Canada • Kadon Electro Mech. • Process Color Print • Kova Engineering Ltd. • Tri-Jay Carpets • P.S. Graphics • A-1 Signs • WFF Fittings &
 Flanges • Premier Packaging • NSI Holdings Inc. • Perfect Distributors • Crown Express • Keaco Services • DW Gill Supply Company • Torchinsky Engineering
 Custom Polyrecycling • Chariot Carriers • Walls Alive Ltd. • Cal-Ed Carpet • Gilchrist Data Fax • Norwesco Industries • Francis Food Dist. • Con-Way Canada
 Danmarks Energifase • Amici Enterprises • TCT Canada Logistics • The Cedargien Group • HJ Heinz Company • CNC Proficient Machine • Diagnostic Engineering
 • CCD Western Limited • Regal Building material • Inland Audio Visual • Bock Roofing • Kitchen & Patio • Gentek Building Products • Caremark Ltd. • Rega
 Building Material • Trans-Fit, McNamara Inc. • Worldwide Specialty Foods • Quality Cold Storage • H&R Block • Shaw Cablesystems • Creative Door Services
 Vitality Foodservice • McIntyre Group Office Solutions • Siemens Building Technology • Contemporary Office Services • Public Works Supply & Services • Totem
 Building Supplies • Aspen Family & Community Network • Inglis Limited • Dejong Printing • Honeywell • Culligan • Rival Express • Big Eight Importers • Sturgeon
 Valley Athletic Centre • Pro Show Services • Canpar Transport • Hostess Frito Lay • A.M. Castle & Co. • EMCO Limited • CN Rail • Costco Wholesale and
 Brimworks Ltd. • Data Business Forms Ltd. • Weatherford • Boncor Building • Formations Inc. • Dana Canada • Hi Tech Heat Treating • Swarm Enterprises Ltd.
 • Mobil Shred • PPC Canada Inc. • 7-Eleven Canada • Hitech Norway Ltd. • Hothouse Design Studio • Albrico Services • Hinz Automation Inc. • Altelec
 Engineering • Raven Manufacturing • Innovative Plastics • MDC Communications Corp. • CFCW Broadcasting • Sunny Patio Furnishings • MTE Logistix • Toxor
 Health Sciences • Rose Scientific Ltd. • MSA Canada Inc. • Cloverdale Paint Inc. • Canadian Springs Water • Pamalat Dairy • Serca Food Services Inc. • Sobey
 Canada Inc. • AGS Group Inc. • Superior Pallett Corp • Hardwood Direct • Luscar • Vipond Fire Protection • Flyer Force • Pacific Radiator **MANITOBA**
 Morrow Environmental • Powell Equipment • R-Con Centres Inc. • Burnham Logistics Inc. • Can-For Weldwood • The Great West Life Assurance Co. • Emco
 Crystallite • Canadian Inovatech Inc. • Regal Greetings & Gifts Ltd. • Jostens Canada Ltd. • Standard Auto Glass • Brinks Canada Inc. • Salisbury House • Labat
 Manitoba Brewing • Unisys Canada Inc. • Dept. of Public Works • Danka Canada Ltd. • Dynaventure Corp • Transcontinental Print and Gescan **ONTARIO** Gentle
 Building products • Alias Paper Bag Co. • RVA Exhibits • Carleton Technologies • Next Trend Designs Inc. • OZAWA Canada • Fairchild • Keith Mowling • Creative
 Space • Rody & Co. Marketing • Greenleaf Distribution • Sigma Moulders • Key Plastics • J&R Gas • American National Canada Inc. • Saicon Fashions • M.R. &
 M. Bucky Corp • CTF Supply • Walsh Pharmaceutical • Hotline Express Delivery Services • Strategic Packaging Inc. • Westbrook Technologies • Wood Wyant Inc.
 Quality Service Program • Liftow Limited • Devro-Teepak • GI Seafood • RB & W Corporation • NCS International Warehouse Storage • Georgetown Store Fixture
 • Family Furniture & Supply Co. • Hitch City • Ferrara Pan Candy • Cope Marketing • Komme International • Imperial Brass • Voxcom • Oxford Development
 Yorkland Controls • Ferrara Pan Canada • Jason Industrial • Plas Weld • The Paper Express Shop • A&P Properties Ltd. • Brambles Canada Ltd. • Truse
 Technologies Ltd. • Roff International Inc. • Schifffenhaus Canada Inc. • The Canada Trust Company • Interprint Services (1978) Inc. • Permatech Electronics
 Canadian Clothing • Magnus Pen • Goldcoaster • Prothane Ltd. • Canadian Red Cross • Nestle • Sheridan Park Association • Bestbuy Distributors Limited.
 Canberra Packard Canada Ltd. • Pioneer Standard Electronics • United Parcel Service • Make-Up Art Cosmetics Manufacturing • Artisan Screen Print Ltd.
 Instep Electronics & Shaleen • Micris One Manufacturing & Distribution • Lind Furniture (Canada) • Polyone Distribution Canada Inc. • Peacebridge Brokerag
 Limited • Canada Woodtape Inc. • Moreau Promotional Services • J.F.B. Technologies Inc. • FarleyCo Market Inc. • Nitta Castings (Canada) Inc. • Rayovac Canada
 Inc. • Sifto Canada Inc. • Tereve Holdings Limited • Ademco Group Canada • Formet Industries • Ryder Truck Rental Canada Ltd. • Effem Inc. • National Archive
 • Echo Inc. • FPI Fireplace Products International • Photon Technology Limited • Emco • Medis Health & Pharm. • All Continents • Source FM • MCL Constructio
 & Services Ltd. • Manotick Pool & Spa Inc. • MCL Hospitality Ltd. • Busy Bee Machine Tools • ICI Paints • CCR • Canadian Health • Government of Canada • Tir
 Stars Group Inc. • Bluebird Transportation Systems • Royal Canadian Mint • Canwell **QUEBEC** Qualum Inc. • Intertek Testing Services NA • Media

WITH 342 PROPERTIES IN
CANADA AND THE U.S., 23 MILLION
SQ. FT. AND 2,544 TENANTS,
SUMMIT REIT IS FOCUSED ON BEING
CANADA'S LEADING PROVIDER OF
LIGHT INDUSTRIAL / FLEX SPACE.

PROFILE

As one of Canada's largest Real Estate Investment Trusts, Summit REIT is focused primarily on the light industrial / flex space and the grocery-anchored retail segments of the North American real estate market. With high-quality properties well situated within major centers in Canada and the United States, Summit is dedicated to maximizing distributable income and the value of its property portfolio through active property management, accretive acquisitions and selective development opportunities. Summit REIT's Units are listed on The Toronto Stock Exchange under the symbol SMU.UN. For more information on Summit REIT, visit our website at www.summitreit.com.

OBJECTIVES

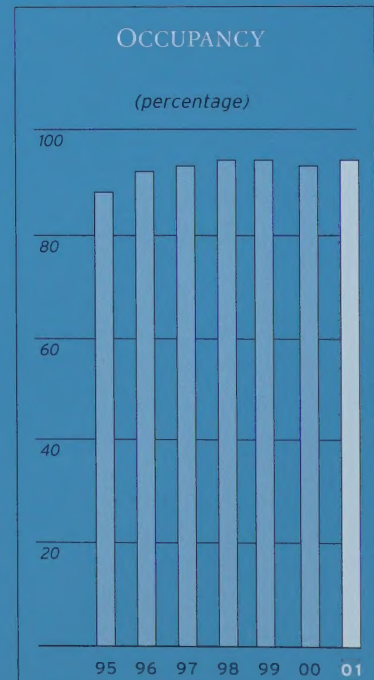
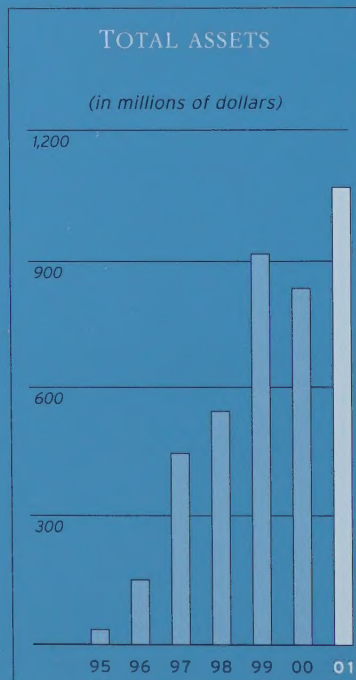
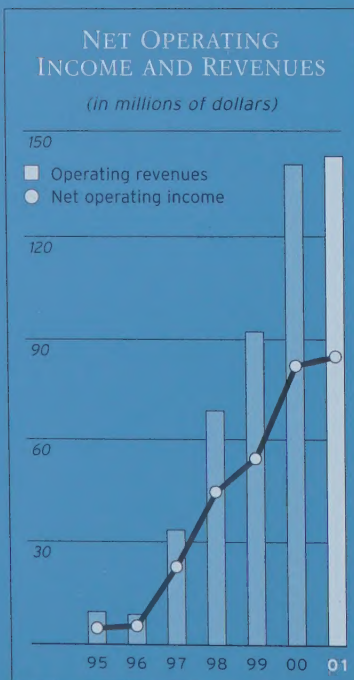
Deliver reliable, sustainable monthly cash distributions to Unitholders
Continue to grow through prudent acquisitions and selective development opportunities
Enhance portfolio value through active management and capital investment programs

CONTENTS

Page 4 Report to Unitholders Page 12 Light Industrial / Flex Space: Proven Performance
Page 21 Real Property Investments Page 30 Management's Discussion and Analysis Page 37 Financial Statements

ACHIEVING OUR GOALS

- Major acquisitions during and subsequent to 2001 significantly expanded presence in light industrial / flex space sector to 66% of the portfolio
- Acquisitions in fourth quarter generated 21.5% increase in recurring distributable income compared to third quarter
- Strong property management initiatives generated increased distributable income despite owning fewer properties in 2001
- Completed two bought-deal equity offerings, raising \$106 million for debt reduction and acquisitions
- Debt reduction resulted in significantly improved leverage ratio



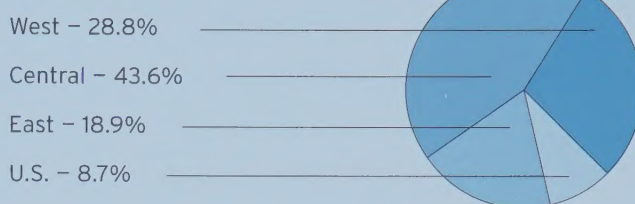
GEOGRAPHIC DIVERSIFICATION

(% of annualized net operating income)

as at December 2001



as at March 2002



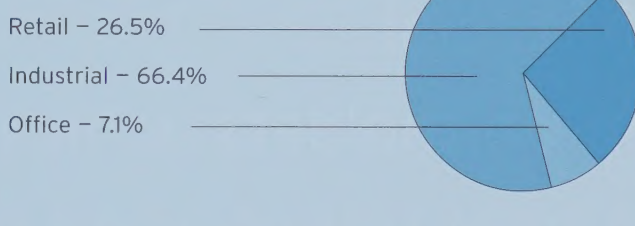
PORTFOLIO DIVERSIFICATION BY ASSET CLASS

(% of annualized net operating income)

as at December 2001



as at March 2002



FINANCIAL HIGHLIGHTS

years ended December 31

(In thousands of dollars, except per Unit amounts)

	2001	2000	1999
Operating Revenues	\$ 144,271	\$ 141,703	\$ 91,051
Net Operating Income	88,410	85,531	56,125
Net Income	40,040	36,927	11,058
Net Income per Unit	\$ 1.34	\$ 1.38	\$ 0.59
Distributable Income (including gain/loss on dispositions)	46,292	43,718	35,511
Distributable Income (excluding gain/loss on dispositions)	44,350	41,217	29,883
Distributable Income per Unit (including gain on dispositions)	\$ 1.61	\$ 1.68	\$ 1.90
Distributable Income per Unit (excluding gain on dispositions)	\$ 1.54	\$ 1.59	\$ 1.59
Distributions per Unit	\$ 1.53	\$ 1.53	\$ 1.51
Income Producing Properties	1,033,884	816,578	892,906
Weighted Average Units Outstanding	28,842	25,979	18,650

PROPERTIES:

Number of properties	229	101	108
Gross leaseable area (sq. ft. in thousands)	14,048	9,886	11,045

REPORT TO UNITHOLDERS

Our **strong** operating and financial **performance** resulted in Unitholders achieving a total return of 44.6% in 2001, the highest return of all Canadian REITs.



TO OUR UNITHOLDERS:

During and subsequent to 2001, we completed a number of major initiatives aimed at narrowing the focus of our property portfolio and positioning us to achieve our long-term objective of delivering competitive, stable and consistent cash distributions to our Unitholders. This significant progress, and our strong operating and financial performance in 2001, was recognized by the capital markets as our Unitholders achieved a total return of 44.6% for the year, the highest return of all Canadian REITs.

BECOMING CANADA'S INDUSTRIAL LANDLORD

Two major acquisitions completed during and subsequent to the year-end will have a major positive impact on our results going forward.

Early in the fourth quarter we acquired a portfolio of light industrial / flex space properties consisting of 3.6 million square feet in 121 buildings situated in six industrial parks in prime Toronto markets. This accretive purchase significantly accelerated our objective of narrowing the focus of the portfolio on this historically stable sector of the North American real estate business. The acquired properties also made a very positive contribution to our fourth quarter performance, increasing recurring distributable income by 21.5% compared to the third quarter of fiscal 2001.

In mid-March 2002, another significant step was taken with the purchase of a second large portfolio of light industrial properties consisting of over 8.2 million square feet in 110 properties situated in prime locations across Canada. With this acquisition, Summit was transformed into Canada's largest publicly-held industrial landlord with over 66% of the portfolio in this targeted asset class.

SIGNIFICANT BENEFITS

These important acquisitions will benefit Summit's Unitholders in a number of ways. Both purchases will be immediately accretive, adding significantly to our revenues and distributable income going forward. We estimate that the two portfolio purchases will contribute approximately \$0.09 per Unit in distributable income on an annualized basis, even with the 52% increase in Units outstanding resulting from the equity offerings used to finance the purchases.

SIGNIFICANT ACQUISITIONS DURING AND SUBSEQUENT TO 2001 HAVE TRANSFORMED SUMMIT INTO CANADA'S LARGEST PUBLICLY- HELD INDUSTRIAL LANDLORD.

In addition, we are confident that the contribution from these new properties will increase over the long term. Rents in the acquired portfolios are generally below market levels by as much as 13% to 20% in certain regions, and we anticipate generating increased revenues and distributable income as we increase rents on lease renewals. We will also be working hard to ensure that we capture all of the available economies of scale, cost synergies and other benefits that arise from the significant increase in our size and critical mass.

The acquisitions also included a number of parcels of adjacent, vacant and zoned land that we will be developing over the near term. In many of the new properties there is significant demand from existing tenants for new or expanded space and these adjacent lands offer an excellent opportunity to further increase revenues and distributable income over time. We are already in the process of increasing our gross leaseable space by approximately 150,000 square feet on properties owned before these transactions and we estimate these newly acquired lands will provide the opportunity to add another 400,000 square feet of space which will be required to satisfy existing tenants' expansion needs.

In addition to increasing the size of the portfolio, these acquisitions also significantly boosted our total tenant base to approximately 2,544 with more than 66% in the light industrial sector. This critical mass provides important risk protection for our Unitholders as our large and

diversified base of tenants encompasses almost all business activities across Canada, ensuring that we are not exposed to any one sector or geographic region. In addition, many are large and well-known companies, agencies and institutions possessing superior credit ratings, factors that ensure our revenues are consistent and predictable.

Another important benefit is the increase in highly stable and predictable cash flow that will be derived from these new properties. This increase in cash will further improve our pay-out ratio and enhance our capital investment and property expansion initiatives while providing additional capital for future acquisitions.

PROPERTY MANAGEMENT

Along with these high-quality and well-located properties, Summit also acquired two highly skilled and proven property management teams that have been providing tenants with superior levels of service for many, many years. Beginning in the spring of 2002, we will leverage this significant experience to manage our light industrial / flex space portfolio across Canada. Initially there will be approximately 100 people in the property management group operating from our new, subsidiary company, Summit REIT Property Management Ltd.

A number of important benefits will result. Tenants will receive the same high level of management services, in addition to a consistent approach to meeting their needs.





TOP LEFT:
3415 American Drive
Greater Toronto Area
Ontario

BOTTOM LEFT:
2805 Slough Street
Greater Toronto Area
Ontario

TOP RIGHT:
130 Claireville Drive
Greater Toronto Area
Ontario

BOTTOM RIGHT:
855 Matheson Boulevard
Greater Toronto Area
Ontario

Over the longer term, as we continue to expand the size of the portfolio through acquisitions and expansion activities, we also expect to generate significant savings in our overall property management expenses due to the resulting economies of scale and cost synergies.

In addition, with our own property management company, we have a real opportunity to build our brand across the country as Canada's industrial landlord. Identifiable signage, uniforms and other branding initiatives will help to generate important exposure and recognition for Summit REIT and its properties.

OTHER ACCOMPLISHMENTS BUILD VALUE

Two years ago we began a number of initiatives aimed at reducing debt and narrowing the focus of the portfolio to predominantly the light industrial / flex space and grocery-anchored retail sectors of the North American real estate market. As of the end of 2001, these objectives have been substantially achieved.

As a result of the recent light industrial acquisitions, Summit is now strongly positioned in a sector that has historically generated higher income returns and lower income volatility than any other type of real estate in North America. In addition, we will continue to monitor opportunities to invest in our grocery-anchored retail portfolio as it also provides consistent and steady cash flow through all economic cycles.

Over the past two years we have been gradually exiting the more volatile and capital intensive office and enclosed-mall retail sectors pursuant to our strategy to narrow our focus to sectors more suitable to a REIT structure. During 2001 three non-core properties were sold, and subsequent to the year-end, another four office buildings were sold in a transaction related to our purchase of additional industrial properties in Calgary and Edmonton. In total, these dispositions generated approximately \$115.4 million in new funds. With these transactions, Summit's exposure to the office market has been reduced to only 7% of the total portfolio as of March 2002.

The cash generated from our non-core property dispositions over the past two years has had a significant impact on our debt and leverage ratio. Early in 2001 we repaid all of the high-cost debt used to finance the Avista acquisition completed in 1999. We ended 2001 with a leverage ratio of 53.3%, a significant improvement over its peak of 58.3% in June 2000. In addition, we have smoothed out our mortgage portfolio, extended the average term to maturity, and reduced the weighted average interest rate.

Finally, in order to finance our aggressive expansion activities in the light industrial sector, Summit completed three offerings of Trust Units on a bought-deal basis for total proceeds of approximately \$258 million. These financings also significantly increased Summit's market capitalization to approximately \$665 million as of March 1, 2002, providing investors with enhanced liquidity.





INDUSTRIAL / FLEX SPACE PROPERTIES HAVE CONSISTENTLY OUTPERFORMED ALL OTHER SECTORS OF THE CANADIAN REAL ESTATE BUSINESS, GENERATING HIGHER INCOME RETURNS THAN ALL OTHER TYPES OF PROPERTIES.

A BRIGHT FUTURE

As we look ahead, we are all extremely enthusiastic about Summit's future. As a result of the significant progress and accomplishments achieved last year, we entered 2002 strongly positioned to continue to grow income and cash flow for the benefit of our Unitholders. We have increased the critical mass and scope of our portfolio, and built an asset base that has now grown to approximately \$1.5 billion. We have developed a significantly larger footprint in the industrial sector – a proven performer in North America – and we will continue to seek out accretive acquisitions in this segment. We have also acquired an experienced and skilled property management team that will bring real value to our tenants and our investors. All of these accomplishments will help us to meet our continuing goal of delivering stable and consistent monthly cash distributions to our Unitholders, while increasing the value of our property portfolio.

In closing, on behalf of the Board of Trustees, we want to thank our investors for their ongoing support, and especially everyone at Summit for their efforts, hard work and dedication. The significant accomplishments achieved over the last eighteen months would not have occurred without the extra efforts of everyone on the team, and with this ongoing commitment, we will continue to enhance value for our Unitholders.



JOHN ROY
Chief Executive Officer



LOUIS MAROUN
President and Chief Operating Officer



WHAT IS LIGHT INDUSTRIAL / FLEX SPACE?

It is not heavy manufacturing.
Our properties are home to such activities as warehousing and storage, product assembly, showrooms, shipping, call centers and technical support. These activities require lower maintenance and capital improvement costs.

LIGHT INDUSTRIAL / FLEX SPACE PROVEN PERFORMANCE

Through a series of transactions during and subsequent to 2001, Summit has transformed itself into Canada's largest publicly-held light industrial landlord, owning more than 18 million square feet of leaseable space well-situated in major centers across Canada and in the southeastern United States. With over 66% of its total portfolio now in the light industrial / flex space sector, Summit has built a dominant position in **this historically stable segment of the Canadian real estate business.**

Not to be confused with the heavy industrial sector, Summit's light industrial / flex space portfolio generally consists of one- or two-story properties located within major cities. They are home to such activities as warehousing and storage, electronics assembly and shipping, call centers and technical support, professional services, and a number of other similar uses. Heavy manufacturing and heavy industrial activities are not conducted in Summit's properties.

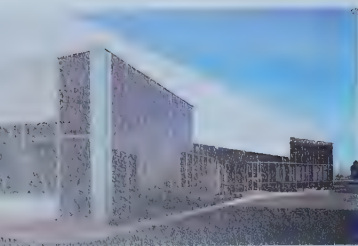
There are a number of reasons why Summit has taken these bold steps to focus its portfolio on the light industrial sector.

Industrial real estate has, on average, provided total returns that exceed overall real estate returns. It has also outperformed the bond and equity markets in Canada over the past 15 years, with considerably less volatility.

The light industrial sector's income returns have consistently outperformed all other types of real estate, meeting the needs of a REIT that must distribute cash on a monthly basis.

Industrial properties also have lower maintenance costs and capital requirements, including leasehold improvements and tenant inducements, than all other real estate sectors.

Finally, the scale and diversified nature of industrial real estate provides stability of returns that generally track the overall economy, providing predictable and consistent income and cash flow.



TOP RIGHT:
Matheson Estate
5420-5430 Timberlea Boulevard
Greater Toronto Area
Ontario

TOP LEFT:
26 Huddersfield Road
Greater Toronto Area
Ontario

BOTTOM RIGHT:
5380 Timberlea Boulevard
Greater Toronto Area
Ontario

BOTTOM LEFT:
2797 Thamesgate Drive
Greater Toronto Area
Ontario

OUTPERFORMING THE CAPITAL MARKETS

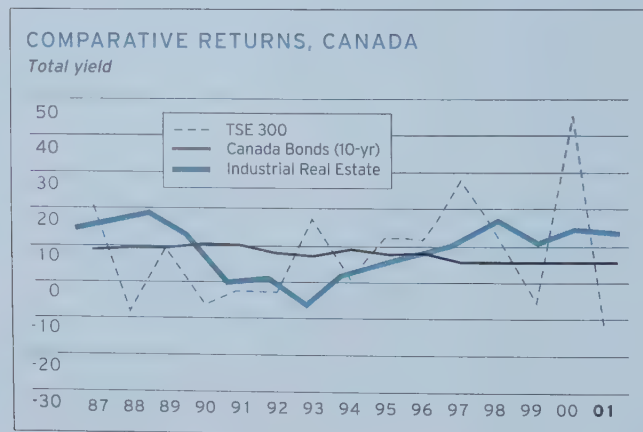
One reason Summit has targeted the light industrial sector is its consistent and proven performance over the past fifteen years. Compared to the bond and equity markets, industrial real estate has, on average, substantially outpaced these benchmark investment opportunities. With the recent volatility of the equity markets, industrial real estate has also outperformed stock returns in the more recent five-year period.

In addition, the spread between 10-year Canada bonds and the total return from industrial real estate investment has ranged from 400 to 500 basis points for the past five years. This is a significant return given the stability and consistency of this real estate sector.

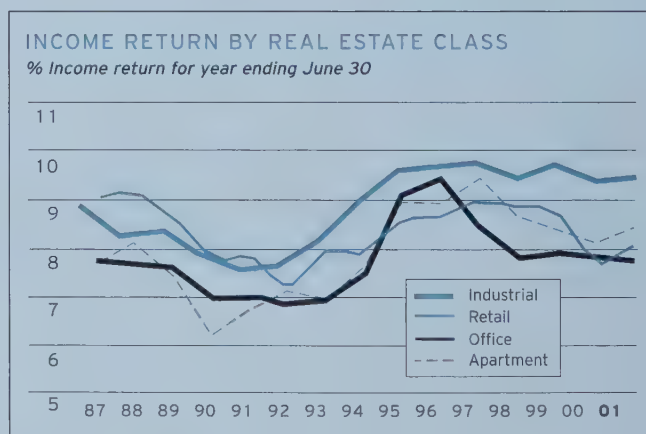
HIGHEST CASH RETURNS OF ANY REAL ESTATE SEGMENT

A key reason Unitholders invest in Summit is the consistency and predictability of its monthly cash distributions. Perhaps the greatest benefit of the industrial real estate sector, therefore, has been the high levels and stability of its cash returns. Over the past fifteen years, light industrial properties have consistently demonstrated the highest income returns and the lowest volatility of all types of real estate.

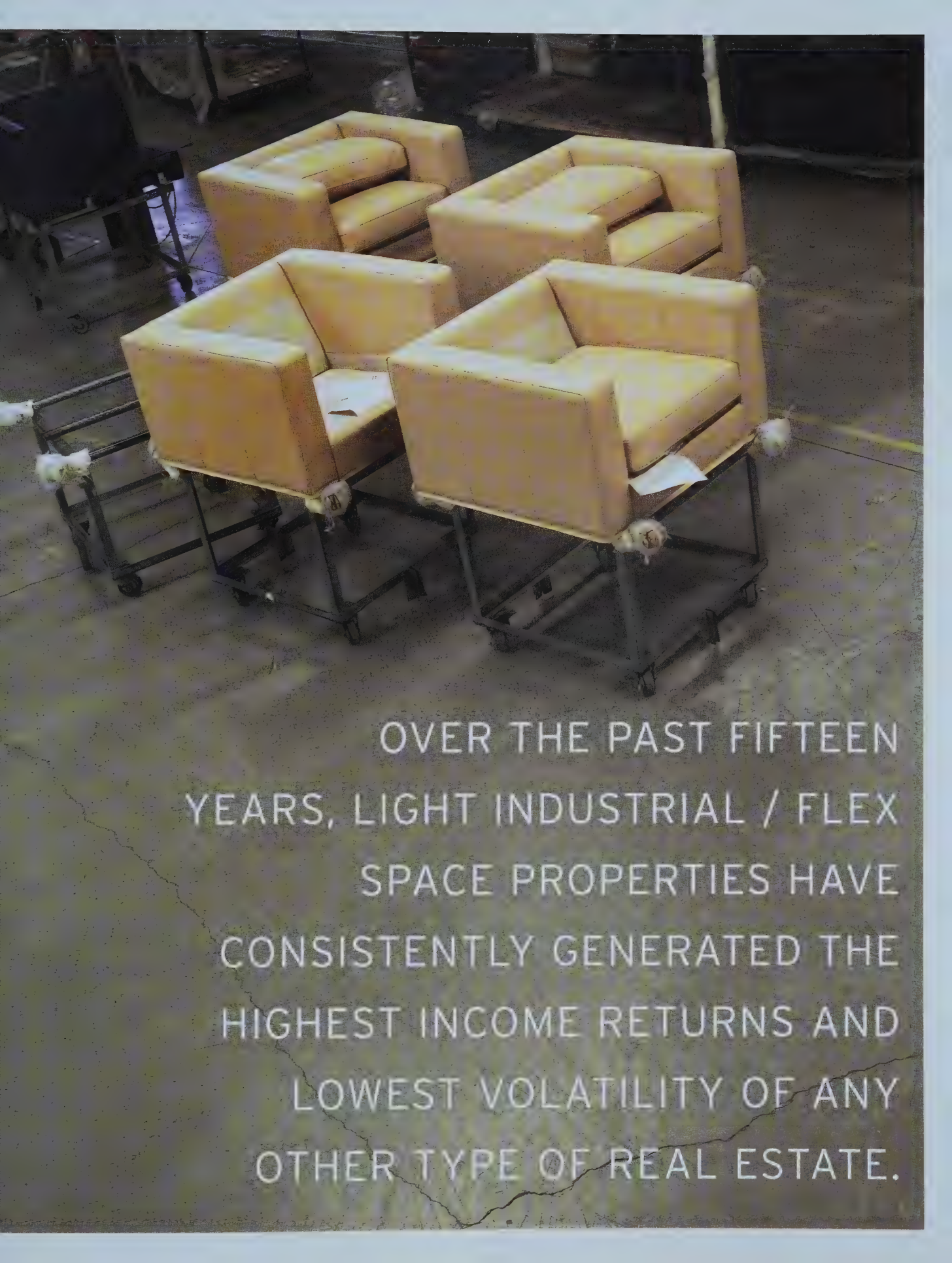
Light industrial properties have generated these consistently high income returns primarily because of the relatively lower costs associated with owning this type of real estate, including maintenance costs and capital requirements.



Note: Industrial returns for year ending June 30, bond yields at end of June
Sources: Russell Canada, Statistics Canada and Bank of Canada



Source: Russell Canada

A photograph of four bright yellow, modern-style armchairs arranged in a 2x2 grid. Each chair is mounted on a black metal rolling cart with two tiers. The setting is a dimly lit industrial space, likely a warehouse, with a concrete floor and various equipment visible in the background. The lighting is focused on the chairs, making them stand out against the darker environment.

OVER THE PAST FIFTEEN
YEARS, LIGHT INDUSTRIAL / FLEX
SPACE PROPERTIES HAVE
CONSISTENTLY GENERATED THE
HIGHEST INCOME RETURNS AND
LOWEST VOLATILITY OF ANY
OTHER TYPE OF REAL ESTATE.



ON A SQUARE FOOT BASIS, THE
LIGHT INDUSTRIAL SECTOR IS BY
FAR THE LARGEST CLASS OF REAL
ESTATE IN CANADA WITH OVER
1.2 BILLION SQUARE FEET IN SEVEN
MAJOR REGIONAL MARKETS.

TOP LEFT:

5554 Tomken Road
Greater Toronto Area
Ontario

BOTTOM LEFT:

400 Estates
391 Edgeley Boulevard
Greater Toronto Area
Ontario

TOP RIGHT:

Ancaster Place
201 Brownlow Avenue
Dartmouth, Nova Scotia

BOTTOM RIGHT:

101 Claireville Drive
Greater Toronto Area
Ontario



SIGNIFICANT LIQUIDITY

Another key attribute of the light industrial sector is its size and liquidity. In order to continue its strong track record of growth and performance, Summit chose a real estate sector that not only demonstrated the highest income returns, but also possessed sufficient opportunity for Summit to attain a sufficient size and critical mass to enhance Unitholder returns.

On a square foot basis, the light industrial sector is by far the largest class of real estate in Canada, with over 1.2 billion square feet among the country's seven major regional markets. With over 18 million square feet of light industrial space currently in its portfolio, there is still ample opportunity for Summit to continue its track record of growth.

INDUSTRIAL SECTOR HAS SIZE, LIQUIDITY

square feet (except where noted)

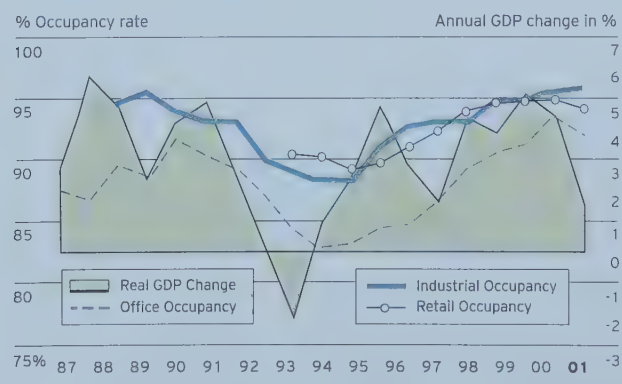
Total industrial inventory	1,245,755,933
Total office inventory	376,455,211
Total shopping center	199,956,206
Rental apartments (units)	1,080,432

DEPENDABLE AND PREDICTABLE INCOME

To achieve its objective of delivering stable and consistent cash distributions, it is important for Summit to maintain relatively steady occupancy rates across its portfolio. Historically, Summit has kept occupancy consistently in the 95% range, matching the overall stability of the light industrial sector in Canada.

Clearly, all sectors of real estate are influenced by the general economy; however, the industrial sector has been impacted less by economic conditions, due in part to the wide variety and diversity of tenants and generally shorter lease terms. With approximately 2,544 tenants in its properties, Summit is not exposed to any one economic activity or geographic region, ensuring that its strong income returns will continue well into the future.

GDP AND OCCUPANCY RATES



Sources: Russell Canada, Statistics Canada and Bank of Canada



Sobeys

OPEN
24
HOURS

Maple Grove
Village

Sobeys

Pharma Plus

in

TOP LEFT:

1200 Aerowood Drive
Greater Toronto Area
Ontario

BOTTOM LEFT:

1020 Cardiff Boulevard
Greater Toronto Area
Ontario

TOP RIGHT:

Baseline Village
222 Baseline Road
Sherwood Park, Alberta

BOTTOM RIGHT:

Meadowbrook
3819-34th Street
Edmonton, Alberta



GROCERY-ANCHORED RETAIL: ANOTHER STRONG PERFORMER

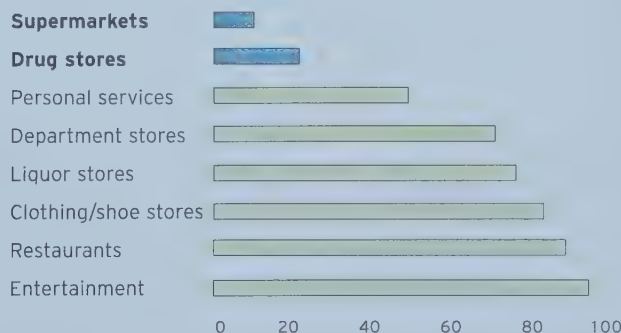
Summit continues to maintain its presence in the grocery-anchored retail segment of the North American real estate business. Historically, this sector has also been among the most stable, consistently generating high returns on investment and steady, sustainable income.

No matter what phase of the economic cycle, people still need to buy groceries, visit the pharmacy, and perform other activities centered on the neighborhood shopping center. These types of retail locations are the least vulnerable to economic downturns, and are the most typical reasons that a consumer visits a neighborhood strip mall. Approximately 40% of Summit's retail space is leased to supermarkets and drug stores, the two sectors whose revenues are least affected by economic downturn and income declines.

The grocery-anchored retail sector has additional strengths that benefit Summit's Unitholders. Operating costs are comparatively low, and tenants normally finance their own leasehold improvements. These factors reduce the need for Summit to spend money on costly capital investments, thereby enhancing returns.

LEAST VULNERABLE TO ECONOMIC DOWNTURN

Income vulnerability index (100 = most vulnerable)





CONTENTS

- 21 Real property investments
- 30 Management's discussion and analysis
- 36 Management's report
- 36 Auditors' report
- 37 Consolidated balance sheets
- 38 Consolidated statements of income
- 38 Consolidated statements of Unitholders' equity
- 39 Consolidated statements of cash flows
- 41 Notes to the consolidated financial statements
- 51 Distribution reinvestment plan
- 52 Corporate information

REAL PROPERTY INVESTMENTS

Summit Real Estate Investment Trust Schedule of Real Property Investments as at December 31, 2001

** except noted properties purchased in March 2002

LIGHT INDUSTRIAL / FLEX SPACE

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
BRITISH COLUMBIA				
Vancouver				
610 Derwent Way**	38,634	1	100.0	British Columbia Buildings Corporation
721 Aulford**	38,376	2	100.0	Danfoss Couriers, Western Rubber Products
Garden City**	511,176	1	100.0	Crown Forest Industries
Grinnell Building**	118,493	1	64.2	Mueller Flow Control
2700 Simpson Road	156,591	9	100.0	Kurt Saunder Ltd., Valmont Wire Products
ALBERTA				
Calgary				
4545/4661 - 54th Avenue	91,734	2	100.0	All Rush Distribution Centre Inc., Sokil Transportation Group
7408 - 40th Street	38,272	5	100.0	Southern Tube Ltd.
80th Industrial Centre**	86,510	11	74.3	J.A.S. Industrial Services, Powderful Custom Coatings
Beatrice Building**	81,500	1	100.0	Beatrice Foods Inc.
Burnham Calgary**	145,000	1	100.0	Burnham Logistics
Burns I Circa**	72,704	5	53.3	BC Belting, Fitness Depot, Akzo Nobel Coatings Ltd.
Burns II ACA Audio Visual**	39,803	7	90.4	Calgary Caretaking, Aca Audio Visual Ltd., CFM Air Equipment
Foothills All Weather Windows**	76,770	4	66.7	All Weather Windows, Akrilon Industries Inc., Ronsco Inc.
Foothills Capital Paper**	83,044	2	61.5	Capital Paper Recycling, Motion Industries
Foothills Hogedal**	32,434	4	100.0	Hogedal Furniture, All Brite Metal Fin., Capital Industrial Sales
Foothills Industrial Warehouse**	187,828	4	100.0	Canwest Textiles, Clarke Transport Canada
Foothills MDS Warehouse**	100,159	1	100.0	MDS Warehouse
Foothills N. American Profiles**	137,751	2	100.0	North American Profiles, MacGavin Foods Limited
Foothills Sears**	124,616	3	100.0	Sears Canada Inc., Iron Mountain Canada, Kadon Electro Mech.
Glenmore Centre 01**	23,266	2	73.2	Process Color Print, Kova Engineering Ltd.
Glenmore Centre 02**	55,118	12	86.0	Tri-Jay Carpets, P.S. Graphics, A-1 Signs
Glenmore Centre 03**	79,204	13	100.0	WFF Fittings & Flanges, Premier Packaging, NSI Holdings Inc.
Glenmore Centre 04**	85,906	9	100.0	Perfect Distributors, Crown Express, Keaco Services
Glenmore Centre 05**	44,288	8	79.0	DW Gill Supply Company, Torchinsky Engineering, Custom Polyrecycling
Glenmore Centre 07**	31,470	1	100.0	Chariot Carriers
Glenmore Centre 08**	56,723	5	100.0	Walls Alive Ltd., Cal-Ed Carpet, Gilchrist Data Fax
Glenmore Centre 10**	31,467	2	100.0	Norwesco Industries, Francis Food Dist.
Glenmore Centre 11**	21,189	3	100.0	Con-Way Canada, Carmacks Enterprise, Amici Enterprises
Glenmore Centre 20**	56,571	12	94.3	TCT Canada Logistics, The Cedarglen Group, HJ Heinz Company
Glenmore Centre 21**	21,830	3	100.0	CNC Proficient Machine, Diagnostic Engineering, CCD Western Limited
Glenmore Centre 22**	29,002	3	100.0	Regal Building Material, Inland Audio Visual, Bock Roofing
Glenmore Centre 23**	64,330	4	100.0	Kitchen & Patio, Gentek Building Products, Caremark Ltd.
Glenmore Centre 24**	19,274	2	100.0	Regal Building Material, Trans-Frt. McNamara Inc.
Glenmore Centre Phase 3**	221,741	46	94.8	Worldwide Specialty Foods, Quality Cold Storage, H&R Block
Horizon**	66,310	5	91.7	Shaw Cablesystems, Creative Door Services, Vitality Foodservice
Riverview 1**	57,612	8	100.0	Mcintyre Group Office Solutions, Siemens Building Technology
Spaeth Building	95,321	7	100.0	Contemporary Office Services, Public Works Supply & Services
Totem Building**	88,675	1	100.0	Totem Building Supplies
Windfire	49,985	8	44.8	Aspen Family & Community Network

LIGHT INDUSTRIAL / FLEX SPACE

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
Edmonton				
Alberta Park II**	120,709	21	93.0	Inglis Limited, Dejong Printing, Honeywell
Burnham Edmonton**	79,106	2	63.3	Culligan, Rival Express
Campbell Business Centre**	102,395	21	92.9	Big Eight Importers, Sturgeon Valley Athletic Centre
Capilano Business Centre**	238,428	31	93.3	Pro Show Services, Canpar Transport, Hostess Frito Lay
Castle Emco Building**	63,871	2	100.0	A.M. Castle & Co., EMCO Limited
CN Rail Building**	29,068	1	100.0	CN Rail
Costco Building**	282,083	2	74.7	Costco Wholesale and Printworks Ltd.
Data Business Forms Building	81,300	1	100.0	Data Business Forms Ltd.
Eastern Acres I**	73,120	8	100.0	Weatherford, Boncor Building, Formations Inc.
Eastern Acres II**	76,062	6	100.0	Dana Canada, Hi Tech Heat Treating, Swarm Enterprises Ltd.
Eastern Acres III**	56,412	6	100.0	Mobil Shred, PPG Canada Inc.
ENS Building	36,247	5	79.1	7-Eleven Canada, Hitech Norway Ltd.
Hothouse Design Building**	27,758	1	100.0	Hothouse Design Studio
Imperial Square**	58,481	16	85.0	Albrico Services, Hinz Automation Inc., Altelec Engineering
Innovative (Reynolds/Zee Best) Bldg**	16,490	1	100.0	Raven Manufacturing, Innovative Plastics
Intercheque	70,638	6	100.0	MDC Communications Corp.
Letourneau Centre**	97,744	30	99.0	CFCW Broadcasting, Sunny Patio Furnishings
MTE Warehouse #2**	100,000	1	100.0	MTE Logistix
Norpac	51,685	19	95.8	Toxon Health Sciences, Rose Scientific Ltd.
Norwester**	87,046	3	65.1	MSA Canada Inc., Cloverdale Paint Inc.
Papaschase	232,199	48	78.6	Canadian Springs Water
Parmalat Building**	31,067	1	100.0	Pamalat Dairy
Serca Warehouse**	329,518	3	100.0	Serca Food Services Inc., Sobeys Canada Inc.
Sherwood Business Centre	106,273	5	100.0	AGS Group Inc.
Superior Pallet Building**	42,005	2	100.0	Superior Pallett Corp, Hardwood Direct
Vipond Building**	39,536	2	100.0	Luscar, Vipond Fire Protection
Westminster Business Park**	111,183	23	86.2	Flyer Force, Pacific Radiator

SASKATCHEWAN

Regina

Burnham Regina**	56,255	1	100.0	Burnham Logistics Inc.
------------------	--------	---	-------	------------------------

Saskatoon

Burnham Saskatoon**	144,296	1	100.0	Burnham Logistics Inc.
---------------------	---------	---	-------	------------------------

LIGHT INDUSTRIAL / FLEX SPACE

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
MANITOBA				
Winnipeg				
1420 Clarence	16,725	8	100.0	Morrow Environmental, Powell Equipment
2061 & 2065 Logan	51,214	10	100.0	New World Technologies Inc.
2075 Logan	18,263	—	—	Property under development
Bannister	32,000	5	75.0	R-Con Centres Inc., Samuel-Acme Strapping
Burnham Winnipeg**	165,570	1	100.0	Burnham Logistics
Canwel Winnipeg**	51,497	1	100.0	Can-For Weldwood
Church Avenue	91,537	4	100.0	Government of Manitoba, The Great West Life Assurance Co.
Emco Winnipeg**	40,219	1	100.0	Emco
Plymouth	36,876	4	100.0	Crystalplex
Poplar Industrial Park	70,655	8	100.0	Canadian Inovatech Inc., Regal Greetings & Gifts Ltd.
Pru Business Park 1**	42,459	4	100.0	Jostens Canada Ltd., Standard Auto Glass, Brinks Canada Inc.
Pru Business Park 2**	37,934	14	88.4	Salisbury House, Labatt Manitoba Brewing, Unisys Canada Inc.
Pru Business Park 3**	48,085	9	95.5	Dept. of Public Works, Danka Canada Ltd.
Universal Printers**	46,368	—	—	
Westrow Business Mall**	137,723	25	97.6	Dynaventure Corp, Transcontinental Print and Gescan
ONTARIO				
Greater Toronto Area				
120 McLevin Avenue**	118,168	6	89.7	Gentek Building Products, Atlas Paper Bag Co., RVA Exhibits
1200 Aerowood	150,984	32	92.7	Carleton Technologies, Next Trend Designs Inc.
135 East Beaver Creek**	28,506	3	100.0	OZAWA Canada, Fairchild, Keith Mowling
140 McLevin Avenue**	98,343	6	100.0	Creative Space, Rody & Co. Marketing, Greenleaf Distribution
150 McLevin Avenue**	89,479	4	100.0	Sigma Moulders, Key Plastics, J&R Gas
180 Walker	129,720	1	100.0	American National Canada Inc.
2200 Markham Road**	42,248	13	91.7	Saicon Fashions, M.R. & M. Bilsky Corp, CTF Supply
2210 Markham Road**	29,801	1	91.8	Walsh Pharmaceutical
400 Estates	178,976	41	95.6	Hotline Express Delivery Services, Strategic Packaging Inc.
440 Passmore Avenue**	84,932	2	100.0	Westbrook Technologies, Wood Wyant Inc.
442 Passmore Avenue**	55,588	1	100.0	Quality Service Program
444 Passmore Avenue**	45,189	5	100.0	Liftow Limited, Devro-Teepak, GI Seafood
5156 Bradco Blvd.**	80,116	3	100.0	RB & W Corporation, NCS International Warehouse Storage
5190 Bradco Blvd.**	37,040	1	100.0	RB & W Corporation
5200 Dixie	219,938	45	88.6	Georgetown Store Fixtures, Famlife Furniture & Supply Co., Hitch City
5370 Timberlea Blvd.**	16,682	1	100.0	Ferrara Pan Candy
5380 Timberlea Blvd.**	19,988	1	100.0	Ferrara Pan Candy
5554 Tomken Road**	61,623	10	100.0	Cope Marketing, Komme International, Imperial Brass
855 Matheson**	46,345	14	93.6	Voxcom, Oxford Development, Yorkland Controls
903 Matheson**	77,420	8	100.0	Ferrara Pan Canada, Jason Industrial, Plas Weld
Brevik Place	54,302	7	93.9	The Paper Express Shop, A&P Properties Ltd.
Dixie Auto Campus	176,226	14	100.0	Graphic Packaging Tor Corp., Dixie Toyota (1994) Canada Inc., Nissan Automobile Co. (Cda)
Esander	267,618	7	100.0	Brambles Canada Ltd., Trusea Technologies Ltd.

LIGHT INDUSTRIAL / FLEX SPACE

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
Greater Toronto Area cont'd				
Kenderry	274,999	49	95.9	Roff International Inc.
Kitimat	303,680	15	92.9	Schiffenhaus Canada Inc., The Canada Trust Company
McNicoll Avenue	94,993	7	100.0	Interprint Services (1978) Inc., Permotech Electronics
Middlefield Road**	201,116	15	100.0	Canadian Clothing, Magnus Pen, Goldcoaster
Milton Trade Park	70,249	14	100.0	Prothane Ltd., Canadian Red Cross
Nestle Building**	30,400	1	100.0	Nestle
Speakman Drive	24,919	3	85.5	Sheridan Park Association
American Estate (13 bldgs)	456,878	46	100.0	
Single tenant (7 bldgs)				Bestbuy Distributors Limited., Canberra Packard Canada Ltd.
Multi tenant (6 bldgs)				Pioneer Standard Electronics, United Parcel Service
Bentley Estate (10 bldgs)	355,056	22	100.0	
Single tenant (6 bldgs)				Make-Up Art Cosmetics Manufacturing, Artisan Screen Print Ltd.
Multi tenant (4 bldgs)				Instep Electronics & Shaleen, Micris One Manufacturing & Distribution
Malton Estate (65 bldgs)	1,689,243	135	95.8	
Single tenant (46 bldgs)				Lind Furniture (Canada), Polyone Distribution Canada Inc.
Multi tenant (19 bldgs)				Peacebridge Brokerage Limited, Canada Woodtape Inc.
Markham Estate (14 bldgs)	352,068	21	97.2	
Single tenant (9 bldgs)				Moreau Promotional Services, J.F.B. Technologies Inc.
Multi tenant (5 bldgs)				FarleyCo Market Inc., Nitta Castings (Canada) Inc.
Matheson Estate (6 bldgs)	144,877	8	100.0	
Single tenant (4 bldgs)				Rayovac Canada Inc., Sifto Canada Inc.
Multi tenant (2 bldgs)				Tereve Holdings Limited, Ademco Group Canada
Rexdale Estate (13 bldgs)	602,251	13	100.0	
Single tenant (11 bldgs)				Formet Industries, Ryder Truck Rental Canada Ltd.
Multi tenant (2 bldgs)				Effem Inc., National Archives
London				
Newbold Park	364,726	106	91.6	Echo Inc., FPI Fireplace Products International, Photon Technology Limited
Emco London**	35,365	1	100.0	Emco
Ottawa				
2370 Walkley Road**	223,726	6	100.0	Medis Health & Pharm., All Continents, Source FM
Bexley	69,822	24	100.0	MCL Construction & Services Ltd., Manotick Pool & Spa Inc., MCL Hospitality Ltd.
Gladwin	76,295	14	100.0	Busy Bee Machine Tools, ICI Paints
Kanata**	42,576	2	100.0	CCR, Canadian Health
Lancaster	135,863	3	100.0	Government of Canada
Leeds	37,008	1	100.0	Tire Stars Group Inc.
Michael Street	64,475	5	100.0	Bluebird Transportation Systems, Royal Canadian Mint
St. Catharines				
Emco St. Catharines**	22,001	1	100.0	Emco
Sudbury				
CanWel Sudbury**	21,160	1	100.0	Canwell

LIGHT INDUSTRIAL / FLEX SPACE

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
QUEBEC				
Metropolitan Montreal				
1311 Ampere**	64,741	1	100.0	Qualum Inc.
1825 – 32nd Avenue	71,616	7	91.5	Intertek Testing Services NA, Medias Transcontinental
1876 – 32nd Avenue	84,659	9	100.0	Johnston Industrial Plastics, Les Fermes D'Athelstan inc.
1950 – 32nd Avenue	71,923	7	100.0	Nippon Express Canada Ltd., Bestar Marketing Inc., Access Direct Inc.
2000 32nd Avenue	81,288	2	100.0	Gage Applied Inc., Entreposage et Logistique D.I.
4900 Thimens**	44,848	1	100.0	Valmet Fibertech Ltd.
Boucherville 1**	86,842	7	100.0	Le Naturiste JMB Inc., Distribution Quebec Den, Paper & Board Products
Boucherville 3**	82,081	6	100.0	Impressions Intra-Media, Disca Automatisatation, Installations de Bureau
Boucherville 4**	49,817	10	94.6	Commercial Alcohols Int., Brasserie Seigneuriale, Éditions Mortagne
Boisbriand**	63,697	6	100.0	Groupe Ultra-Pac Inc., Sopar Cosmetiques Inc., SDCEM Inc.
Burnham Montreal**	40,231	1	100.0	Burnham Logistics Inc.
East Tech 1**	77,846	5	100.0	Distributions Mep Inc., Sports d'Argenson, Serti Informatique
Griffith	89,660	4	100.0	Lumen Express, J.B. Audio Centre Inc., Guillevin International Inc.
Johnson Controls**	19,220	1	100.0	Johnson Controls Ltd.
Laval Industrial Park A**	58,622	6	100.0	Les Planchers Nova, Lumen, Mon-Ter-Vai
Laval Industrial Park B**	91,843	12	100.0	Historia International, Service Mailex, Rite-Tek
Laval Industrial Park C**	78,878	14	91.5	Pharmacia & Upjohn, Carrier Canada, Recupération Jeunesse
Laval Industrial Park E**	68,444	1	100.0	Avcorp Industries
Laval Industrial Park F**	56,022	13	100.0	Profom, Eastern Independent Tel., Convexpert Inc.
Lepine & Meloche I**	41,978	11	90.8	Distribution Metropole, Daemar Inc., Les Distributions PPM
Lepine & Meloche II**	54,252	9	100.0	Multifor Limited, Cancurl, Cancino Technologies
Lepine & Meloche III**	54,410	4	100.0	Distribution Alimentaire, Viterie Lessard, Europack Déménagement
Migneron	52,158	8	100.0	Fisher Scientific Limited, Syscan International Inc.
PT-1**	70,754	9	100.0	SAQ, National Safety Equipment, Marquez Transtech Ltd.
Thimens 1**	68,575	4	100.0	Acklands-Grianger Inc., Omega Sewmack Inc., ISO Tech Designs
Thimens 2**	130,694	20	100.0	Len-Jay Inc., Mini Micro Supply, Ernest Green & Son
Thimens 3**	85,559	2	100.0	Natursource Inc., Adorable Junior Garment
Thimens 4**	105,195	7	100.0	Keystone Industries, Servident, Miranda Media Networks

NOVA SCOTIA

Halifax

50 Akerley	62,240	12	93.3	Nationwide Warehouse & Storage, Import Tool Corp Ltd.
80 Thornhill Drive**	10,000	1	100.0	Eastern Bakeries Ltd.
Ancaster Place	159,636	30	88.8	Atlantic Lottery Corp Inc., RCMP, CDN-NS Offshore Petroleum Board
Burnside 1**	56,942	4	100.0	Walker Exhausts, Vopak Canada Ltd., RJ Spagnol's
Burnside 2**	54,323	7	100.0	MI Drilling Fluids, Medic Delivery Services, Eisener's Transport Ltd.
Burnside 3**	76,307	12	100.0	Kinecor Inc., Mitten Vinyl Inc., The Fastener Center
Burnside 4**	86,921	29	94.9	RCS Retail Construction, The Alien Print, Livingston Int.
Burnside 5**	118,910	25	98.3	VitalAire Company, Karlo Corp., Humpty Dumpty

LIGHT INDUSTRIAL / FLEX SPACE

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
Halifax cont'd				
Burnside 6**	61,529	12	100.0	Allied Reclamation, GE Polymershapes, Reliable Parts Limited
Cambridge Centre	211,705	66	97.0	Staples Business Depot, Pax Properties Ltd.
Ilsley Centre & Ilsley Place**	172,928	39	97.6	WESCO Distribution, Sun Chemical Ltd., Aliant ActiMedia
Landmark Place	69,991	13	100.0	Honda Canada Inc., Liteco Inc., Honeywell Ltd.
Park Central	44,810	14	79.2	Siemens Canada Ltd., Canadian chartered bank
FLORIDA				
Jacksonville				
Broadway Center	141,249	5	87.6	Nuvell Financial Services Corp., Productivity Solutions
Interstate South	260,068	43	92.6	Laufen International, Dal-Tile Corporation
Western Way	181,120	8	94.6	Lennox Industries Inc., Service Champ, American Wholesale Building
Tampa				
Breckenridge IV and V	93,941	14	81.4	Contec International
University Park Business	101,198	9	93.2	H. Lee Moffitt Cancer Center, Musculoskeletal Institute
NORTH CAROLINA				
Charlotte				
Carolina Centre	100,084	30	73.4	First Data Investors
TOTAL INDUSTRIAL	18,901,510	1,882	95.6	

** Properties purchased in March 2002

RETAIL

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
ALBERTA				
Calgary				
Crowfoot Village	62,135	32	95.8	Urban Barn, Chianti's, Grabba Jabba
Main Street Square	53,620	8	29.2	Alberta Treasury Branches
Edmonton				
Baseline Village	130,116	27	96.2	Save On Foods, Blockbuster Video Canada Inc., Canadian chartered bank
Beaumont	21,690	1	100.0	Sobeys Canada Inc.
Beaverbrook Plaza	40,363	3	97.1	Winners Apparel Ltd., Mark's Work Wearhouse Ltd.
Inglewood	44,298	8	100.0	London Drugs Ltd., Rogers Video
Meadowbrook	38,800	2	100.0	Sobeys Canada Inc., Blockbuster Video Canada Inc.
West End Station	22,405	5	100.0	The Brick Warehouse Corp., Payless Shoe Source Canada Inc.
Westland Market	110,820	37	85.4	Saan Store, Shoppers Drug Mart
Lloydminster				
Lloydminster	30,690	1	100.0	Sobeys Canada Inc.
Olds				
Olds	20,137	1	100.0	Sobeys Canada Inc.

RETAIL

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
SASKATCHEWAN				
Regina				
North Battleford	26,895	1	100.0	Sobeys Canada Inc.
MANITOBA				
Winnipeg				
Bird's Hill	21,840	1	100.0	Sobeys Canada Inc.
ONTARIO				
Ancaster				
Meadowlands Square	83,033	13	100.0	The Business Depot Ltd., Mark's Work Wearhouse Ltd.
Barrie				
Allandale Marketplace	36,604	14	86.6	Canadian chartered bank, Shoppers Drug Mart
Stayner	18,306	1	100.0	Sobeys Canada Inc.
Cambridge				
Hespeler Road	118,494	23	95.0	Winners Apparel Ltd., Value Village Stores Ltd.
Campbellford				
Campbellford	34,151	9	84.6	Sobeys Canada Inc.
Gravenhurst				
Gravenhurst	17,562	2	100.0	Sobeys Canada Inc.
Greater Toronto Area				
Aurora	30,080	1	100.0	Sobeys Canada Inc.
Danforth	27,497	1	100.0	Sobeys Canada Inc.
Maple Grove	95,833	33	97.2	Sobeys Canada Inc., Canadian chartered bank
Milton Mall	197,420	49	85.4	Zellers Inc.
Victoria Park	19,920	1	100.0	Sobeys Canada Inc.
York Corporate Centre	79,535	13	98.7	Famous Players Inc.
Havelock				
Havelock	14,866	3	92.4	Sobeys Canada Inc.
Niagara Falls				
Chippawa	18,162	2	100.0	Sobeys Canada Inc.
North Bay				
1899 Algonquin	197,047	7	100.0	Zellers Inc., Sobeys Canada Inc., Staples Business Depot

RETAIL

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
Ottawa				
Gloucester City Centre	326,282	61	90.7	Loblaws Supermarkets Ltd., Zellers Inc.
Woodstock				
Woodstock	92,837	2	100.0	Zellers Inc., Sobeys Canada Inc.
QUEBEC				
Metropolitan Montreal				
Concorde	29,975	2	100.0	Sobeys Canada Inc.
La Prairie	50,792	4	89.0	Sobeys Canada Inc.
René à Robert	38,037	5	100.0	Sobeys Canada Inc.
Sicard	59,937	9	98.0	Sobeys Canada Inc.
St. Jean	133,823	19	90.5	Zellers Inc., Sobeys Canada Inc., Canadian chartered bank
St. Saens	32,445	3	100.0	Sobeys Canada Inc.
Ste. Julie	47,985	6	100.0	Sobeys Canada Inc.
NOVA SCOTIA				
Halifax				
Colby Village	152,697	19	95.3	Zellers Inc., Loblaws Supermarkets Ltd., Canadian chartered bank
Herring Cove	28,029	1	100.0	Loblaws Supermarkets Ltd.
Park West Centre	83,727	34	94.8	Canadian chartered bank, Clarica Life Insurance Co., Lawton's Drug Stores Ltd.
Sackville Commercial Centre	28,117	10	93.6	Canadian chartered bank, Lawton's Drug Stores Ltd.
Truro				
Truro Mall	251,932	59	94.5	Zellers Inc., Sears Canada Inc.
NORTH CAROLINA				
Winston-Salem				
New Towne Center	128,183	13	88.9	Lowe's Food Store Inc., Staples The Office Superstore
TOTAL RETAIL	3,097,117	546	93.9	

OFFICE

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
ALBERTA				
Calgary				
Petro Fina Building	150,778	24	93.4	Nexen Inc., ESBI Alberta Ltd., Canadian chartered bank
SASKATCHEWAN				
Regina				
NCO Building	80,109	8	100.0	Saskatchewan Liquor & Gaming Authority, Hleck Kanuka Thuringer Inc.
South Broad Plaza	133,923	3	100.0	Saskatchewan Ppty. Mgmt. Corp., Public Works & Gov't Serv. Can.
ONTARIO				
Greater Toronto Area				
100 York	96,239	20	100.0	Royal Bank Action Direct Inc., Qwerty Learning Systems
North Service Road	60,942	13	96.5	Corporate Executive Offices
Hamilton				
Commerce Place	180,849	26	91.0	CGU Group Canada Ltd., Great West Life Assurance Co.
FLORIDA				
Tallahassee				
315 South Calhoun	134,048	22	73.0	Bank of America, Holland & Knight Inc.
TOTAL OFFICE	836,888	116	92.3	
TOTAL GROSS LEASABLE AREA	22,835,515	2,544	95.2	

PROPERTIES SOLD IN 2002

Property	GLA (sq. ft.)	# of tenants	Occupancy 12/31/01 (%)	Major tenants
Calgary				
520 - 5th Avenue	188,686	41	99.4	Paradigm Geophysical Canada Corp., Capture Resources Corp.
Atrium I	103,642	20	91.0	Petromet Resources Ltd., Carma Developers Ltd., Atrium Business Centre
Atrium II	105,609	30	94.2	Calgary Business Services, Fifth Era Knowledge Corporation, LGS Group Inc.
Dominion Centre	94,625	21	92.4	Clifton & Accos. Ltd., Legal Aid Society of Alberta, Spier Harben, Barr. & Solic.
Greater Toronto Area				
Aldershot	121,691	6	92.5	Zellers Inc., Canadian chartered bank, Ministry of Transportation
TOTAL	614,253	118	93.9	

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis of the financial results and position of Summit REIT should be read in conjunction with the audited financial statements and notes to those statements for the years ending December 31, 2001 and 2000. Certain statements in this discussion can be considered forward looking, and readers are cautioned that such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contained in these forward looking statements. These risks and uncertainties are described elsewhere in this discussion and in other regulatory filings.

STRATEGIC APPROACH

Summit REIT is a growth-oriented investment trust focused primarily on light industrial / flex space and grocery-anchored retail real estate in North America. Following the acquisition of Avista REIT in November 1999, Summit embarked on a program to sell non-core office and enclosed mall retail properties in order to narrow the focus of its property portfolio and reduce the debt incurred with the Avista acquisition. With major acquisitions of light industrial / flex space properties in the fourth quarter of 2001 and the first quarter of 2002, Summit has further narrowed its focus to primarily the light industrial / flex space sector. Such properties have historically been among the most stable in Canadian real estate, consistently generating higher income returns than all other sectors with generally lower maintenance costs and capital requirements. In addition, the scale and diversified nature of tenants in the sector provide stable returns that generally track the overall economy, producing predictable and consistent income and cash flow.

HIGHLIGHTS OF THE YEAR

2001 was another year of significant accomplishment for Summit REIT. A program to dispose of non-core properties aimed at refocusing the portfolio and reducing debt resulted in fewer properties being owned for most of the year compared to the prior year. Yet, with fewer properties, Summit's effective property management strategies resulted in increased operating revenues and distributable income in 2001. Net operating income for the 97 properties owned during both 2001 and 2000 grew 3.1% to \$74.5 million in 2001 from \$72.1 million in 2000. The acquisition of a major portfolio of light industrial / flex space properties at the beginning of the fourth quarter of fiscal 2001 (the "Slough Acquisition") had a significant and positive impact on fourth quarter performance. The Slough Acquisition increased operating revenues by \$7.2 million (21.7%) and recurring distributable income by \$2.4 million (21.5%) compared to the third quarter of the year.

During 2001, Summit disposed of three non-core properties for total gross proceeds of \$60.4 million and capital gains of \$4.2 million (\$0.1453 per unit). This disposition program was designed to focus the portfolio and to reduce debt incurred with the Avista purchase that occurred in November 1999.

Also during 2001, Summit financed 28 properties for \$231 million, generating \$183 million in new funds. Summit's leverage ratio of debt-to-gross book value of assets improved to 53.3% at December 31, 2001 from 53.8% at the end of 2000, and 58.3% at its peak in June of 2000. The leverage ratio at December 31, 2001 also included the debt incurred to complete the Slough Acquisition. Summit reduced its exposure to floating rate debt from 11% of total debt at the end of 2000 to 9% at December 31, 2001, or \$52.4 million.

During 2001 Summit successfully completed two equity offerings totaling 8.2 million Trust Units for gross proceeds of approximately \$105.8 million on a bought-deal basis. The proceeds of the offerings were used to acquire light industrial / flex space properties and to reduce debt during the period.

RESULTS OF OPERATIONS

Gross property rental income and recoveries rose to \$144.3 million in 2001 compared to \$141.7 million in 2000. The increase in revenue resulted primarily from the impact of the Slough Acquisition in the fourth quarter, which increased revenues by 21.7% compared to the third quarter of the year. Distributable income for 2001 rose to \$46.3 million (\$1.6050 per unit) compared to \$43.7 million (\$1.6828 per unit) in 2000. Included in distributable income in 2001 was \$1.9 million (\$0.0673 per unit) in capital gains from the disposition of non-core properties (net of the reduction of real property investments to net recoverable amount) compared to \$2.5 million (\$0.0962 per unit) in 2000. The strategic acquisition of the Avista portfolio required the Trust to increase its leverage on a temporary basis. Through 2000 and 2001, the trust sold a number of non-core properties pursuant to its plan to focus the portfolio and reduce its debt. This plan, as expected, had temporarily reduced Summit's distributable income per unit in 2001 compared to the prior year. However, Summit fully expects that the Slough Acquisition, which occurred in the fourth quarter of 2001, and the Aquest Acquisition, expected to be completed in the first quarter of 2002, will prove accretive, thus increasing Summit's distributable income per unit for 2002.

Net operating income

Net operating income rose to \$88.4 million in 2001 from \$85.5 million in 2000. The increase is primarily due to the positive impact of the Slough Acquisition in the fourth quarter of the year.

2001 (Dollar amounts in thousands of dollars)	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Net Operating Income	\$ 20,667	\$ 20,698	\$ 21,706	\$ 25,339
Recurring Distributable Income	9,868	9,903	11,096	13,483
Recurring D.I. Per Unit	0.3814	0.3826	0.3774	0.3963

2000 (Dollar amounts in thousands of dollars)	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Net Operating Income	\$ 20,906	\$ 21,390	\$ 21,620	\$ 21,615
Recurring Distributable Income	10,214	10,190	10,408	10,405
Recurring D.I. Per Unit	0.3895	0.3922	0.4026	0.4022

Interest expense

Interest expense declined to \$35.4 million in 2001 from \$37.3 million in 2000. The decrease was due to fewer properties owned through most of the year, the repayment of related mortgages on property dispositions and other debt repayments during the year. In addition, Summit's debt management strategies benefited from a lower interest rate environment.

Amortization of real property investments

The amortization of real property investments increased marginally in 2001 to \$6.9 million from \$6.7 million in 2000 due to the increase in the size of the portfolio in the fourth quarter resulting from the Slough Acquisition.

Amortization of deferred leasing costs

The amortization of leasing costs increased to \$3.4 million in 2001 from \$2.7 million in 2000 due to the additional leasing costs incurred in 2001 totaling \$8.5 million. Leasing costs include all of the expenses incurred in putting a tenant in place, such as tenant improvements, inducements and lease commissions. These costs are written off over the term of the lease, which typically runs for an average of five years.

Interest and other income

Interest and other income was \$189,000 in 2001 compared to \$500,000 in 2000. This amount represents lower interest earned on amounts of cash held in various property accounts. Summit now clears all of its Canadian property bank accounts against its lines of credit on a daily basis to reduce interest expense.

Trust overhead expenses

Trust overhead expenses increased to \$4.1 million from \$3.6 million in 2000. The increase is the result of a larger portfolio of properties and the number of transactions completed during the year.

Imputed interest expense

Imputed interest expense decreased to \$0.7 million in 2001 from \$1.2 million in 2000. This decrease is the result of Summit's mortgages moving to market rates at maturity.

Gains on disposition of properties

Summit successfully completed the disposition of three non-core properties in 2001, resulting in capital gains of \$4.2 million (\$0.1453 per unit). Details of the properties sold in 2001 and 2000 are shown in the tables below. The dispositions were part of a plan which began in late 1999 to dispose of non-core properties that did not meet Summit's investment criteria, and to focus the portfolio on predominantly two asset classes, light industrial / flex space and grocery-anchored retail. This gain was reduced by \$2.25 million (\$0.0780 per unit) at year-end due to a reduction of real property investments to net recoverable amount for its western office portfolio. As a result, the net gain was \$1.9 million (\$0.0673 per unit).

Dispositions – 2001	Location	Size (square feet)	Type	Closing date	Sale Price (000s)	Cap Rate (time of sale)
Westmount	Waterloo	205,748	Enclosed Retail	Mar 2/01	\$ 17,150	7.0%
Halifax Professional Centre	Halifax	108,829	Office	Jul 31/01	11,750	9.9%
Canada Place	Calgary	191,889	Office	Dec 13/01	31,500	9.5%

Dispositions – 2000	Location	Size (square feet)	Type	Closing date	Sale Price (000s)	Cap Rate (time of sale)
Progress Avenue	Scarborough	217,155	Industrial	Jan 20/00	\$ 8,400	8.7%
9th Avenue Staples	Calgary	24,215	Retail	Apr 1/00	4,100	9.0%
Cyrville Plaza	Ottawa	118,815	Retail	Jul 24/00	5,750	6.1%
Margaret Place	Kitchener	456,290	Residential	Jul 24/00	46,000	7.5%
One Oak Street	Halifax	98,050				
High Park Plaza	Toronto	98,160	Retail	Sep 28/00	2,800	9.1%
Park Centre	North York	238,839	Office	Dec 5/00	22,000	9.1%
333 – 11th Avenue	Calgary	200,809	Office	Dec 15/00	24,500	10.0%
Capilano	Edmonton	246,065	Industrial	Dec 29/00	7,900	10.1%

Distributable income and cash distributions

Distributable income increased to \$46.3 million in 2001 from \$43.7 million in 2000 due primarily to the positive impact of the Slough Acquisition in the fourth quarter of the year. Cash distributions remained steady at \$1.5300 per unit in both 2001 and 2000, an increase from \$1.5075 per unit in 1999.

The pay-out ratio was 95% of distributable income in 2001 compared to 91% in 2000. Summit has a prudent and conservative objective of moving its payout ratio towards 85%, a goal it intends to achieve over the next few years through the process of increasing distributable income, accretive acquisitions and enhanced property performance, while maintaining cash distributions.

REAL ESTATE PORTFOLIO

Property purchases

During 2001 Summit purchased 131 industrial / flex space buildings, including the 121 properties acquired in the Slough Acquisition at the beginning of the fourth quarter. With the Slough Acquisition, Summit acquired a skilled and proven management team that has been providing the tenants with quality service for many years. Details of these acquisitions are shown in the table below. Summit also purchased a parcel of land located under its Commerce Place building in Hamilton, Ontario, by exercising its option under the land lease agreement. Prior to exercising the option to purchase this land, Summit was paying land rent of \$243,000 per annum.

Name	City	Prov/State	Type	Built	GLA	Purchase Price	Cap Rate
1 King Street West	Hamilton	ON	Land	–	–	\$ 2,225	10.9%
Burnside Portfolio						\$ 6,450	10.7%
51 Raddall Avenue	Halifax	NS	Industrial / Flex	1986	69,991		
109 Ilsley Avenue	Halifax	NS	Industrial / Flex	1987	44,810		
Lachine Portfolio						\$ 23,500	10.5%
2000 – 32nd Avenue	Lachine	PQ	Industrial / Flex	1985	81,288		
1825 – 32nd Avenue	Lachine	PQ	Industrial / Flex	1986	71,616		
1950 – 32nd Avenue	Lachine	PQ	Industrial / Flex	1988	71,923		
1876 – 32nd Avenue	Lachine	PQ	Industrial / Flex	1986	84,659		
3303 Griffith Street	St. Laurent	PQ	Industrial / Flex	1987	89,660		
208 – 244 Migneron Street	St. Laurent	PQ	Industrial / Flex	1985	52,158		
Western Way	Jacksonville	FL	Industrial / Flex	1990	181,120	\$ 9,769	10.8%

Name	City	Prov/State	Type	Built	GLA	Purchase Price	Cap Rate
Interstate South	Jacksonville	FL	Industrial / Flex	1986-89	260,068	\$ 27,681	10.6%
Slough Estates						\$ 183,075	9.8%
Malton Estate (65 bldgs)	Mississauga	ON	Industrial / Flex	1965-88	1,689,243		
Markham Estate (14 bldgs)	Markham	ON	Industrial / Flex	1971-78	355,056		
American Estate (13 bldgs)	Mississauga	ON	Industrial / Flex	1984-97	456,878		
Rexdale Estate (13 bldgs)	Etobicoke	ON	Industrial / Flex	1974-88	602,251		
Bentley Estate (10 bldgs)	Markham	ON	Industrial / Flex	1988-90	355,056		
Matheson Estate (6 bldgs)	Mississauga	ON	Industrial / Flex	1980-84	144,877		

As a result of these purchases, the Aquest Acquisition (see Subsequent Event below) and the dispositions made in 2001, Summit will have approximately 66% of its portfolio in the industrial / flex space class, 27% in retail and 7% in the office sector, based on net operating income.

Leasing costs/lease rollover

Summit REIT places a very high value on tenant retention as the cost to retain a tenant is typically far lower than that to attract a new one. Lost rent due to unoccupied space is minimal, and leasing commissions and tenant inducements are less than those required to put new tenants in place. In the year ended December 31, 2001 Summit incurred \$8.5 million in leasing costs compared to \$8.3 million in 2000. The small increase is due primarily to the increased size of Summit's portfolio.

Leases expiring (<i>in sq. ft.</i>)	2002	2003	2004	2005	2006
Industrial	1,756,056	1,498,072	1,373,508	1,445,972	1,479,341
Office	182,754	221,361	193,144	224,478	168,338
Retail	396,285	340,435	217,067	160,620	147,155
	2,335,095	2,059,868	1,783,719	1,831,070	1,794,834
% of total GLA	17%	15%	13%	13%	13%

Occupancy

Summit has worked diligently to maintain a successful level of occupancy throughout its portfolio. For the last five years portfolio occupancy has remained in the 93% – 95% range, ending 2001 at 94.7%. Summit has completed lease renewals and entered into negotiations with many of its tenants occupying spaces greater than 25,000 square feet whose leases expire in 2002. As a result, Summit has every expectation the portfolio will maintain its high occupancy levels through 2002.

Capital investment program

Summit has developed a portfolio-wide capital expenditure program designed to ensure its properties remain in excellent condition. In 2001 the total amount spent on capital improvements was \$1.2 million, down slightly from \$1.3 million in 2000. For 2002 management expects the total expenditure will be approximately \$3.0 million. The increase results from the significant growth in the size of Summit's portfolio from the Slough Acquisition and the Aquest Acquisition (see Subsequent Event below).

Expansion/development initiatives

A number of Summit's properties have excess land that can be used to either expand our existing buildings or build new, free standing structures. New investments in these expansions or developments typically yield much higher returns than could be earned by investing in new properties, as the cost of the land is included in our initial investment in the property.

During 2001 Summit spent \$5.5 million on expansions which increased the GLA of the portfolio and an additional \$2.3 million to redevelop existing space totaling \$7.8 million in development costs. In 2000, Summit spent \$6.9 million on expansions which increased the GLA and an additional \$1.8 million to redevelop existing space, totaling \$8.7 million in development costs.

Liquidity and capital resources

The maximum debt leverage permitted by Summit's Declaration of Trust is 60%. However it is the strategy of the Trustees and management to operate closer to 50% over the longer term. At December 31, 2001 the Trust's debt leverage was 53.3%.

The Trust had access to various lines of credit totaling \$51.2 million at December 31, 2001. At year-end, the balance drawn against these credit lines amounted to \$23.7 million. If Summit were to increase its borrowing to the maximum allowed under its Declaration of Trust, in pursuit of a strategic opportunity, it would have the capacity to purchase approximately \$180 million in new properties.

Financing initiatives

On July 3, 2001, Summit completed a successful offering of 3.45 million Trust Units on a bought-deal basis for gross proceeds of \$42.8 million, and on September 28, 2001, an additional 4.75 million Trust Units were issued on a bought-deal basis for total gross proceeds of \$63.0 million. The proceeds of these equity offerings were used to acquire light industrial / flex space properties and to reduce debt during the period.

During 2001 Summit financed 28 properties for \$231 million. These financings produced \$183 million in new funds after repaying existing mortgages. This new funding was used to finance acquisitions and fund Summit's working capital requirements. In addition, these financings allowed Summit to smooth out its debt maturities and extended its weighted average term to maturity to approximately five years, with no more than 17% of Summit's mortgages maturing in any one year. The weighted average interest rate of 7.02% is also relatively stable across future maturities with not more than a 0.50% deviation in any given year.

As a result of its financing activities, Summit also improved its leverage ratio to 53.3% at December 31, 2001 from 53.8% at the beginning of the year and a high in June 2000 of 58.3%. The leverage ratio at year-end includes debt incurred as a result of the Slough Acquisition.

Summit established a \$25 million revolving acquisition facility in 2001, at a rate of prime, to be used to bridge future property acquisitions as necessary.

Summit has approximately \$27.4 million in convertible debentures outstanding that mature on September 30, 2002. The debentures are convertible at a price of \$15.70 per Trust Unit. If the debenture holders do not exercise their option to convert their debentures, Summit may satisfy its obligation in cash or by issuing units at a price of 93% of the trading price at the time of maturity.

Normal course issuer bid

During 2001 Summit REIT did not repurchase or cancel any units under its normal course issuer bid which expired on January 23, 2001. In 2000 Summit purchased and canceled a total of 504,900 units for a total cost of \$5,139,810 or an average of \$10.18 per unit.

Tax deferral

The Trust claims the maximum amount of capital cost allowance available in determining its annual income for tax purposes. This amount, in conjunction with other deductions, has resulted in distributions being substantially tax-deferred. The taxable portion of distributions for the last five years is as follows:

Year Taxable	Portion
1997	23%
1998	34%
1999	0%
2000	18%
2001	26%

The cost for tax purposes of units held by a Unitholder will generally be reduced by the tax-deferred portion of distributions.

Risks and uncertainties

Summit REIT has created a portfolio diversified by geography and industry. Management recognizes that markets can fluctuate independently. As a result, Summit targets the purchase and sale of its properties at the optimum time while maintaining stable and growing income from the balance of its portfolio.

Commercial real estate requires close, hands-on management to reduce the risk associated with market changes. For this reason, the REIT's senior management team is in constant contact with the property management firm's national and regional property managers and leasing agents to create and implement short-term and long-term operating plans for each property. In the United States, the REIT has entered into an arrangement with a property management firm active throughout the southeastern United States, providing the continuity and depth of local expertise required.

Summit may also be exposed to movements in short-term interest rates. This risk is mitigated as the Trust intends to limit the amount of floating rate debt to less than 15% over the longer term. At year-end, only 9% of the Trust's debt had floating interest rates. In addition, long-term interest rate risk is minimized as the Trust structures its financing so as to stagger the maturity of its debt over future years.

The Trust is also exposed to credit risk from its tenants. Summit reduces this risk by ensuring that most of its revenues come from secure, large tenants. Currently 70% of Summit's gross revenues are derived from tenants that provide Summit with quality covenants, greatly limiting the risk of rents not being received. The remaining 30% is derived from over 700 tenants, with no single tenant representing a material percentage of the Trust's total revenues. The diversification of Summit REIT's portfolio by region and business of its tenants further reduces the credit risk. The strong relationship that exists between Summit's property managers and tenants, as well as maintaining constant contact with its tenant base, contributes to the reduction of credit risk.

Summit is also exposed to currency risk as it relates to its investment in real properties in the United States. The Trust mitigates this risk by placing a maximum of up to 75% United States debt on those assets, thereby reducing its exposure to currency risk to only the 25% equity portion. At December 31, 2001 Summit had a net investment of US \$26.8 million in United States properties.

Summit REIT was among the first Canadian REITs to develop and implement a comprehensive environmental management plan. In addition to completing environmental investigations prior to the acquisition of a property, a thorough environmental audit is performed for every property in the Trust's portfolio on an annual basis, and all identified concerns are acted upon. Also, Summit has put insurance in place to protect against losses caused by environmental issues.

Commitments

On December 21, 2001 the Trust entered into two conditional agreements of purchase and sale to sell four office properties located in Calgary, Alberta for \$55.1 million and buy eight industrial / flex space properties located in Calgary and Edmonton, Alberta for \$52.7 million. These transactions are expected to be concluded by mid-March 2002.

Subsequent event

On January 28, 2002 Summit announced it had signed a purchase and sale agreement to acquire a major light industrial / flex space portfolio of 110 properties consisting of 8.2 million square feet, in addition to 22 acres of undeveloped land, from Aquest REIT (the "Aquest Acquisition"). Also, similar to the Slough Acquisition, Summit will acquire a proven management team with many years of experience serving this tenant base. The acquisition, which is expected to close in mid March, will significantly enhance Summit's presence in the Canadian light industrial / flex space sector. Approximately 78% of Summit's total portfolio by square footage will be in this target sector once the Aquest Acquisition is completed.

Also subsequent to year-end, the Trust entered into various commitments to finance the Aquest Acquisition through a combination of debt and equity. The completion of these debt and equity financings is expected to occur on or before the closing of the Aquest Acquisition.

Outlook

Going forward, Summit will continue to expand its presence in the highly stable light industrial / flex space sector of the North American real estate business, while maintaining a strong grocery-anchored retail portfolio.

Management will continue its program to dispose of the majority of Summit's office portfolio and enclosed retail centers. These dispositions will be timed with market conditions in each region to ensure that the Trust maximizes value on these assets. The proceeds from these dispositions will be used to reduce debt, fund additional acquisitions, development/expansion and for working capital purposes.

To enhance the size and quality of its portfolio, Summit will continue to seek out and evaluate acquisition opportunities that meet its strict criteria. In addition, select development and expansion opportunities at current properties will increase leaseable space while generating strong returns on investment.

Summit remains focused on achieving its long-term objectives of delivering strong and sustainable monthly cash distributions to its Unitholders while employing its active property management strategies to grow the value of its portfolio.

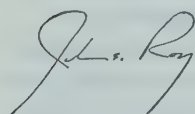
MANAGEMENT'S REPORT

To the Unitholders of Summit Real Estate Investment Trust

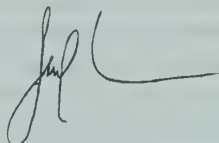
The accompanying consolidated financial statements of Summit Real Estate Investment Trust and the information included in this Annual Report have been prepared by management, which is responsible for their consistency, integrity and objectivity. Management is also responsible for ensuring that the consolidated financial statements are prepared and presented in accordance with generally accepted accounting principles in Canada. To fulfill these responsibilities, management maintains appropriate systems of internal control, policies and procedures to ensure its reporting practices and accounting and administrative procedures are of high quality.

Deloitte & Touche LLP, the independent auditors appointed by the Unitholders, is responsible for auditing the consolidated financial statements in accordance with generally accepted auditing standards in Canada, to enable the expression of their opinion on the consolidated financial statements to the Unitholders. Their report, as auditors, is set forth herein.

The Board of Trustees is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. The Board of Trustees carries out this responsibility through its Audit Committee, which meets regularly with management and the auditors. The Audit Committee is composed of members who are independent of management. The consolidated financial statements have been reviewed and approved by the Board of Trustees and its Audit Committee. The auditors have direct and full access to the Audit Committee and Board of Trustees.



JOHN B. ROY
Chief Executive Officer



SAUL SHULMAN
Chairman, Board of Trustees

Halifax, Nova Scotia
March 8, 2002

AUDITORS' REPORT

To the Unitholders of Summit Real Estate Investment Trust

We have audited the consolidated balance sheets of Summit Real Estate Investment Trust as at December 31, 2001 and 2000 and the consolidated statements of income, Unitholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2001 and 2000 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.



CHARTERED ACCOUNTANTS

January 28, 2002

Halifax, Nova Scotia

CONSOLIDATED BALANCE SHEETS

as at December 31

(dollar amounts in thousands of dollars)

	2001	2000
ASSETS		
Real property investments (Note 3)	\$ 1,033,884	\$ 816,578
Cash and cash equivalents	1,971	2,747
Rents and accrued interest receivable	5,424	5,923
Other receivables	2,326	2,363
Income taxes recoverable – United States	122	248
Prepaid expenses	4,065	2,279
Other assets (Note 4)	19,112	14,682
	\$ 1,066,904	\$ 844,820
LIABILITIES		
Mortgages payable (Note 5)	\$ 558,161	\$ 418,921
Notes payable (Note 6)	–	11,390
Bank loans (Note 7)	23,698	35,741
Accounts payable and accrued liabilities	22,544	16,853
Distributions in the normal course of payment	4,365	3,220
Deferred revenue	995	134
	609,763	486,259
EQUITY		
Convertible debentures (Note 8)	27,356	27,356
Unitholders' equity (Note 9)	429,785	331,205
	457,141	358,561
	\$ 1,066,904	\$ 844,820

APPROVED BY THE BOARD OF TRUSTEES

CONSOLIDATED STATEMENTS OF INCOME

year ended December 31

(dollar amounts in thousands of dollars)

	2001	2000
INCOME		
Gross property rental income and recoveries	\$ 144,271	\$ 141,703
Property operating expenses	55,861	56,172
Net operating income	88,410	85,531
Interest expense	35,384	37,343
Amortization of real property investments	6,944	6,742
Amortization of deferred leasing costs	3,446	2,703
	45,774	46,788
Income from real properties	42,636	38,743
Interest and other income	189	500
Trust expenses	(4,051)	(3,606)
INCOME BEFORE THE UNDERNOTED	38,774	35,637
Imputed interest expense (Note 13)	(676)	(1,211)
Gain on sale of real property investments	4,192	2,501
Reduction of real property investments to net recoverable amount (Note 19)	(2,250)	—
NET INCOME	\$ 40,040	\$ 36,927
Basic net income per unit (Note 9)	1.3408	1.3767
Diluted net income per unit (Note 9)	1.3073	1.3319

CONSOLIDATED STATEMENTS OF UNITHOLDERS' EQUITY

year ended December 31

(dollar amounts in thousands of dollars)

	2001	2000
BALANCE, BEGINNING OF THE YEAR	\$ 329,869	\$ 338,659
Net income	40,040	36,927
Units issued from treasury	106,505	—
Units canceled through normal course issuer bid (Note 15)	—	(5,140)
Equity offering costs	(5,430)	—
Distributions (Note 10)	(44,338)	(39,808)
Distribution reinvestment plan	1,407	393
Interest on convertible debentures (Note 8)	(1,368)	(1,162)
BALANCE, END OF THE YEAR	426,685	329,869
Cumulative translation adjustment	3,100	1,336
Unitholders' equity	\$ 429,785	\$ 331,205

CONSOLIDATED STATEMENTS OF CASH FLOWS

year ended December 31

(dollar amounts in thousands of dollars)

	2001	2000
NET INFLOW (OUTFLOW) OF CASH AND CASH EQUIVALENTS RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Net income	\$ 40,040	\$ 36,927
Items not affecting cash:		
Amortization of real property investments	6,944	6,742
Amortization of deferred leasing costs	3,446	2,703
Gain on sale of real property investments	(4,192)	(2,501)
Reduction of real property investments to net recoverable amount	2,250	-
Funds from operations	48,488	43,871
Deferred leasing costs	(8,487)	(8,312)
Amortization of other deferred costs	192	243
Amortization of deferred financing costs	526	279
Imputed interest expense	676	1,211
Changes in non-cash operating items	5,473	(822)
Cash flow from operating activities	46,868	36,470
FINANCING		
Net proceeds of new mortgage financing	132,864	78,401
Mortgage principal repayments	(9,903)	(8,157)
Discharge of mortgages	(16,570)	(2,979)
Notes payable repaid (Note 6)	(11,500)	(93,500)
Bank loans repaid	(12,043)	(6,412)
Distributions, net of distributions reinvested	(41,786)	(39,524)
Units canceled through normal course issuer bid	-	(5,140)
Interest on convertible debentures	(1,368)	(1,162)
Proceeds of Units issued from treasury	105,824	-
Proceeds of Unit options exercised	681	-
Equity offering costs	(5,430)	-
Deferred financing costs	(920)	(2,303)
Cash flow from financing activities	139,849	(80,776)
INVESTING		
Acquisition of real property investments	(215,911)	(9,233)
Development expenditures	(7,813)	(8,678)
Capital expenditures	(1,183)	(1,284)
Net proceeds from disposition of real property investments	37,888	64,698
Other deferred costs	(474)	(310)
Cash flow from investing activities	(187,493)	45,193
NET CASH AND CASH EQUIVALENTS INFLOW (OUTFLOW)	(776)	887
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,747	1,860
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,971	\$ 2,747

CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
year ended December 31

(dollar amounts in thousands of dollars)

	2001	2000
ACQUISITION OF REAL PROPERTY INVESTMENTS	\$ 265,456	\$ 32,933
Funded through:		
Issuance of Units	105,824	—
Issuance of mortgages	106,794	8,481
Assumption of mortgages	49,545	13,280
Bank loans	3,293	752
Cash held for investment in real property	—	10,420
Funds from operations	\$ 265,456	\$ 32,933
DISPOSITION OF REAL PROPERTY INVESTMENTS	60,400	121,450
Mortgages assumed by purchaser	(20,826)	(53,714)
Closing costs	(1,686)	(3,038)
Net proceeds from disposition of real property investments	\$ 37,888	\$ 64,698
Interest paid	\$ 34,219	\$ 37,861

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

year ended December 31, 2001 and 2000

1. THE TRUST

Summit Real Estate Investment Trust (the "Trust") is an unincorporated, closed-end real estate investment trust created under the laws of the Province of Ontario pursuant to a Declaration of Trust dated December 31, 1995 as further amended and restated from time to time.

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles in Canada and are substantially in accordance with recommendations of the Canadian Institute of Public and Private Real Estate Companies. The more significant accounting policies are as follows:

a) Principles of Consolidation

The consolidated financial statements include the accounts of the Trust and its wholly-owned subsidiary corporations.

b) Real Property Investments

Real property investments are stated at the lower of cost less accumulated amortization and net recoverable amount. Net recoverable amount of real property investments is the estimated future net cash flow from ongoing use together with its residual value.

Acquisition costs are capitalized as part of the cost of real property investments.

Amortization is recorded on buildings on a 5% forty-year sinking fund basis. Under this method, amortization is charged to income at an amount which increases annually, consisting of a fixed annual sum, together with a factor compounded at the rate of 5% per annum so as to fully amortize the buildings over a forty-year period.

Properties under development/expansion are stated at the lower of cost and net recoverable amount. Cost includes acquisition costs, initial leasing and financing costs, other direct costs, interest on both specific and general debt, operating revenues and expenses, property taxes, and the applicable portion of trust expenses.

Capitalization of costs to properties under development/expansion continues until the property reaches its accounting completion date, the determination of which is based on achieving a satisfactory occupancy level within a predetermined time period.

c) Other Assets

Leasing costs, including tenant inducements and leasing commissions, are deferred and amortized on a straight-line basis over the term of the related leases.

In 2001, the Trust adopted the new recommendations of the Canadian Institute of Public and Private Real Estate Companies on accounting for tenant inducements in the form of free or lower than market rate rent. Under the new standard, the total amount of cash to be received from leases which provide a free rent concession is accounted for on a straight-line basis over the initial term of the lease. Rental revenue recorded in the Consolidated Statements of Income during free rent periods represents future cash receipts and is reflected in the Consolidated Balance Sheets in rents and accrued interest receivable. The new standard has been applied retroactively with restatement of comparative information. The effect of adopting the straight-line accounting method for rental revenues earned on leases with free rent is a decrease in gross property rental income and recoveries of \$577,991 (2000 - \$360,063) and a corresponding decrease in amortization of leasing costs.

Financing costs are deferred and amortized over the term of the related debt (see Note 4).

d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and balances with financial institutions and may include short-term investments with maturities of three months or less.

e) Foreign Currency Translation

The Trust has self-sustaining real property investments in the United States, which are financially and operationally independent. Assets and liabilities of these investments are translated at the exchange rate in effect on each balance sheet date. Revenue and expenses from real property investments held in the United States are translated at the average exchange rate for the period. The resulting gains or losses are included in a separate component of Unitholders' Equity, described as Cumulative Translation Adjustment. The change in the amount each year reflects the relative strength of the Canadian dollar against the U.S. dollar and the change in the net investment in the United States.

f) Unit Option Plan

The Trust has a unit option plan, which is described in Note 9. No compensation expense is recognized in respect of this plan when units or unit options are issued to employees. Any consideration paid by employees on exercise of unit options is credited to Unitholders' Equity.

g) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, as well as revenues and expenses for the period then ended. Actual results could differ from those estimates.

h) Gross Property Rental Income and Recoveries

Gross property rental income and recoveries includes rents earned from tenants under lease agreements, and includes property tax and operating cost recoveries.

i) Earnings Per Unit

During the year, the Trust adopted the new recommendations of the Canadian Institute of Chartered Accountants with respect to computing and disclosing earnings per unit, on a retroactive basis. This change resulted in a decrease of basic net income per unit for 2001 of \$0.0474 (2000 - \$0.0447).

3. REAL PROPERTY INVESTMENTS

<i>(dollar amounts in thousands of dollars)</i>	2001		2000	
Real property investments, at cost				
Land	\$	185,719	\$	131,010
Buildings		871,515		702,444
		1,057,234		833,454
Less: Accumulated amortization		(23,350)		(16,876)
	\$	1,033,884	\$	816,578

Interest and Trust expenses capitalized for properties under development/expansions amounted to \$401,952 and \$247,850 respectively for the year ended December 31, 2001 (year ended December 31, 2000 - \$112,829 and \$130,000 respectively).

4. OTHER ASSETS

<i>(dollar amounts in thousands of dollars)</i>	2001		2000	
Deferred leasing costs	\$	15,164	\$	10,754
Deferred financing costs		2,316		2,586
Other deferred costs		1,632		1,342
	\$	19,112	\$	14,682

5. MORTGAGES PAYABLE

Mortgages payable bear interest at a weighted average rate of 7.02% at December 31, 2001 (at December 31, 2000 - 7.47%). The debt is secured by first and/or second charges on the Trust's interests in real property investments.

Included in mortgages payable are US \$52,855,711 (Cdn. \$84,178,006); at December 31, 2000 - US \$35,131,311 (Cdn. \$52,774,255) of mortgage obligations secured by U.S. properties which bear interest at a weighted average rate of 7.43% (December 31, 2000 - 7.70%).

Principal repayments, including mortgage maturities and weighted average interest rates over the next five calendar years, are as follows:

<i>(dollar amounts in thousands of dollars)</i>	\$	%
2002	85,273	7.01
2003	100,297	6.64
2004	77,796	7.08
2005	95,512	7.27
2006	69,086	6.46
2007 and thereafter	130,197	7.40
	558,161	7.02

6. NOTES PAYABLE

<i>(dollar amounts in thousands of dollars)</i>	2001		2000
Trilon Bancorp Inc.	\$	-	\$ 9,500
Adason Properties Limited		-	1,890
	\$	-	\$ 11,390

Trilon Bancorp Inc. ("Trilon")

Under the loan agreement dated September 23, 1999, Trilon had extended a non-revolving, non-recourse, credit facility in the amount of \$103,000,000 for the purpose of financing, in part, the Trust's acquisition of Avista Real Estate Investment Trust. The loan had been granted for an 18-month term and was required to be paid in full by May 1, 2001. Interest was payable monthly at Canadian Imperial Bank of Commerce ("CIBC") Prime Rate plus 1% until August 1, 2000. For the remaining term, interest was payable monthly at CIBC Prime Rate plus 2%. Also, an additional drawdown fee equal to 1.25% of the amount outstanding on August 1, 2000 was paid on that date. The loan was secured by a general security agreement in respect of the Trust's property, and an assignment of the material contracts and documents in respect of the assets and properties of the Trust. As at March 31, 2001, the loan was fully repaid.

Adason Properties Limited

On December 1, 1999, the Trust terminated the Advisory Agreement between Avista REIT and Adason Properties Limited. The Trust paid approximately \$3,400,000 (\$1,400,000 by way of cash payment upon termination; \$2,000,000 by way of a non-interest bearing promissory note due on December 1, 2001) to terminate the Advisory Agreement and obtained an undertaking from Adason Properties Limited to make improvements to certain properties. The non-interest bearing promissory note was valued at \$1,890,000 at December 31, 2000 based on the estimated market rate of interest at the time the transaction was completed. As at December 31, 2001, the loan was fully repaid.

7. BANK LOANS

The Trust has arranged for various lines of credit with Canadian Chartered Banks totaling \$51,200,250 (at December 31, 2000 - \$48,308,250). As at December 31, 2001, \$23,698,516 (at December 31, 2000 - \$35,740,620) had been drawn. Certain properties have been pledged as security for these credit facilities. Interest payable on these credit facilities is in the range of prime to prime plus 3/4% per annum where the funds drawn are Canadian dollars, or Libor rate plus 1.95% per annum where the funds drawn are United States dollars.

8. CONVERTIBLE DEBENTURES

Convertible debentures issued September 30, 1998 for \$27,356,000 bore interest payable monthly at a rate of 4% per annum for the first two years of the term and moved to 5% per annum for the last two years thereof, and mature on September 30, 2002. The debentures will be convertible at the holder's option into units of the Trust at any time on or after July 3, 2002 and prior to the close of business on September 30, 2002. The conversion price is set at \$15.70 per unit. If the debenture holders do not exercise their option, the Trust may either satisfy its obligation in cash or may elect to satisfy its obligation by issuing units to the holder at a price of 93% of the trading price at maturity.

The convertible debentures are recorded as equity on the balance sheet, and interest on the debentures is charged directly against Unitholders' Equity.

9. UNITS ISSUED AND OUTSTANDING

The number of units issued and outstanding:

	2001	2000
Balance, beginning of the year	25,864,466	26,331,063
Issued pursuant to distribution reinvestment plan	110,923	38,303
Units canceled through normal course issuer bid	-	(504,900)
Units issued through Equity Offerings	8,200,000	-
Employee options exercised	62,729	-
Balance, end of the year	34,238,118	25,864,466
Weighted average number of units	28,842,268	25,979,560

Diluted net income per unit assumes conversion of the convertible debentures at the option price of \$15.70 per unit (see Note 8) and Unit Options having an exercise price of \$10.85 per Unit.

Unit Option Plan

In accordance with the Unit Option Plan as amended and approved by the Unitholders, the Trust may grant options to acquire up to 5% of the aggregate issued and outstanding Units of the Trust. As at December 31, 2001, the maximum number of units reserved for issuance under the Unit Option Plan was 1,237,271 (on December 31, 2000 - 1,300,000) of which 770,503 (on December 31, 2000 - 848,242) had been granted and were outstanding to employees of the Trust. The exercise price of the Unit Options equals the market price of the Trust's Units on the date of grant. The Unit Options currently vest at a rate of 25% after each of six months, eighteen months, and thirty months, and are fully vested after forty-two months. The Unit Options expire after sixty months and are then available for re-issuance under the Unit Option Plan.

A summary of the status of the Trust's Unit Option Plan as at December 31, 2001 and December 31, 2000, and changes during the years ended on those dates, is presented in the following chart.

	2001		2000	
	Weighted Average		Weighted Average	
Unit Options	Units	Exercise Price	Units	Exercise Price
Outstanding, beginning of the year	848,242	\$ 14.80	848,242	\$ 14.80
Forfeited	15,010	\$ 11.47	-	-
Exercised	62,729	\$ 10.85	-	-
Outstanding, end of the year	770,503	\$ 15.19	848,242	\$ 14.80
Unit Options exercisable, end of the year	661,521	\$ 15.91	668,215	\$ 15.81

The following Unit Option grants to employees of the Trust were outstanding at December 31, 2001:

Exercise Price	Unit Options Outstanding	Unit Options Vested	Expiry Date
\$ 15.70	187,311	187,311	Jan. 15, 2002
16.20	138,693	138,693	May 15, 2002
16.70	289,264	289,264	April 23, 2003
10.85	155,235	46,253	Nov. 24, 2004
	770,503	661,521	

10. DISTRIBUTABLE INCOME PER UNIT

	2001	2000
Distributable income per unit (includes net gains of \$0.0673 in 2001 and \$0.0962 in 2000)	\$ 1.6050	\$ 1.6828
Diluted distributable income per unit (includes net gains of \$0.0634 in 2001 and \$0.0902 in 2000)	\$ 1.5561	\$ 1.6188

Diluted distributable income per unit assumes conversion of the convertible debentures at the option price of \$15.70 per unit (see Note 8) and unit options having an exercise price of \$10.85 per unit (see Note 9).

Pursuant to the Declaration of Trust, as described in Note 1, the Trust regularly distributes to Unitholders an amount equal to at least 80% of the Distributable Income of the Trust, adjusted at the Trustees' discretion for net capital gains.

For the years ended December 31, 2001 and 2000, distributable income and cash distributions have been determined by the Trustees as follows:

<i>(dollar amounts in thousands of dollars)</i>	2001	2000
Net income	\$ 40,040	\$ 36,927
Amortization of real property investments	6,944	6,742
Imputed interest expense	676	1,211
Interest on convertible debentures	(1,368)	(1,162)
Distributable income (includes net gains of \$1,942,000 in 2001 and \$2,501,000 in 2000)	46,292	43,718
Retention of distributable income	(1,954)	(3,910)
Distributions	\$ 44,338	\$ 39,808
Distributions per unit	\$ 1.53	\$ 1.53

11. FUNDS FROM OPERATIONS PER UNIT

	2001	2000
Basic funds from operations per unit (Note 9)	1.6811	1.6887
Diluted funds from operations per unit (Note 9)	1.5831	1.5824

12. RELATED PARTY TRANSACTIONS

The Trust incurred professional fees with a law firm, in which certain Trustees are partners, for the year ended December 31, 2001 totaling approximately \$1,291,400 (2000 - \$746,000). Fees relating to property transactions and equity offerings have been capitalized, for the year ended December 31, 2001, in the amount of approximately \$1,250,900 (2000 - \$707,000). All other fees were expensed.

13. IMPUTED INTEREST EXPENSE

The Trust has various mortgages that bear interest at rates which were less than market rates at the time the related property was purchased. The imputed interest expense is the difference between the face rate of interest and the market rate of interest at the time the transaction was completed.

14. INCOME TAXES

The Trust is taxed as a "Mutual Fund Trust" for income tax purposes. Pursuant to the Declaration of Trust, the Trustees intend to distribute or designate all taxable income directly earned by the Trust to Unitholders of the Trust and to deduct such distributions and designations for income tax purposes. Therefore, no provision for income taxes is required for Canadian source income.

The Trust claims the maximum amount of capital cost allowance available in determining its income for tax purposes annually. This, along with other timing differences, results in the reported amounts of the Trust's net assets exceeding the tax bases by \$97,206,000 at December 31, 2001 (2000 - \$71,677,000). Upon the disposition of a real property investment, recapture of capital cost allowance previously claimed by the Trust may result in taxable income to the Trust at the time of disposition. The Trust will claim and deduct from such recaptured capital cost allowance, the capital cost allowance available to it for the year. Any excess recapture income will then be allocated to Unitholders.

Under United States law, the Trust will be subject to tax on a portion of its United States source income. The Trust intends to designate its directly held United States source income to Unitholders such that the Unitholders will be able to claim the foreign tax credit.

15. NORMAL COURSE ISSUER BID

On January 25, 2000, the Toronto Stock Exchange accepted a notice filed by the Trust of its intention to make a normal course issuer bid. The notice provides that the Trust may purchase up to 2,530,860 units for cancellation. No units were repurchased by the Trust during the year ended December 31, 2001. As at December 31, 2000, the Trust had repurchased and canceled 504,900 units for a total cost of \$5,139,810. The normal course issuer notice expired on January 23, 2001.

16. FINANCIAL INSTRUMENTS

Financial risk is the risk arising from fluctuations in interest and foreign exchange rates and the credit quality of tenants. The Trust manages its financial risks as follows:

a) Interest Rate Risk

Interest rate risk is minimized as mortgages are substantially financed at fixed rates and the Trust attempts to structure its financings so as to stagger the maturing of its debt, thereby mitigating its exposure to interest rate fluctuations.

b) Currency Risk

The Trust is exposed to currency risk as it relates to its real property investments in the United States. The Trust's exposure to unfavourable changes in the applicable exchange rate is limited to its net investment in United States real property, as its United States real property investments are self-sustaining.

Management further mitigates this risk by reducing its net investment in United States real property investments through the matching of foreign currency debt with foreign currency assets.

c) Credit Risk

Credit risk arises with the uncertainties of predicting the financial difficulties tenants may experience, which could cause them to be unable to fulfill their lease commitments. The Trust mitigates this risk by having a diversified mix of tenants, thereby limiting the exposure to a single tenant. Furthermore, credit assessments are conducted in respect of new leasing.

Fair value

Fair values of financial instruments approximate amounts at which these instruments could be exchanged in a transaction between knowledgeable and willing parties. The estimated fair values may differ in amount from that which could be realized in an immediate settlement of the instruments.

Where available, public market information is used to express the fair value. When such information is not readily available, fair value is estimated using present value techniques and assumptions concerning the amount and timing of expected future cash flows and discount rates which reflect the appropriate level of risk for the instrument.

The fair value of mortgages payable exceeded their carrying value by approximately \$10.7 million at December 31, 2001 (December 31, 2000 - \$3.0 million) due to changes in interest rates since the dates on which the individual mortgages payable were assumed. The fair value of mortgages payable has been estimated based on current market rates for mortgages of similar terms. The fair value of all other financial assets and liabilities approximate their carrying value.

17. SEGMENTED FINANCIAL INFORMATION

The Trust operates various commercial properties and in the past has operated residential properties in Canada and the United States. Information related to these property types and geographic segments for the years ended December 31, 2001 and 2000 is presented below. The accounting policies used in the preparation of the segmented information are the same as those described for the Trust in Note 2 - Accounting Policies. The Trust primarily evaluates operating performance based on net operating income. All key financing, investing and capital allocation decisions are centrally managed.

(dollar amounts in thousands of dollars)

2001	Retail	Industrial	Office	Apartment	Unallocated	Trust	Total
Gross property rental income and recoveries	\$ 58,329	\$ 50,884	\$ 35,058	\$ -	\$ -	\$ -	\$ 144,271
Operating expenses	20,970	18,492	16,399	-	-	-	55,861
Net operating income	37,359	32,392	18,659	-	-	-	88,410
Amortization of real property investments	2,903	2,465	1,519	-	57	-	6,944
Gain on real property investments	(3,789)	-	(403)	-	-	-	(4,192)
Reduction of real property investments to net recoverable amount	-	-	2,250	-	-	-	2,250
Interest expense	-	-	-	-	35,384	-	35,384
Other unallocated expenses	-	-	-	-	3,933	4,051	7,984
Net income	\$ 38,245	\$ 29,927	\$ 15,293	\$ -	\$ (39,374)	\$ (4,051)	\$ 40,040

2000	Retail	Industrial	Office	Apartment	Unallocated	Trust	Total
Gross property rental income and recoveries	\$ 59,201	\$ 37,593	\$ 41,586	\$ 3,323	\$ -	\$ -	\$ 141,703
Operating expenses	21,434	13,438	19,822	1,478	-	-	56,172
Net operating income	37,767	24,155	21,764	1,845	-	-	85,531
Amortization of real property investments	3,077	1,644	1,790	189	42	-	6,742
(Gain) loss on real property investments	(2,773)	654	812	(1,194)	-	-	(2,501)
Interest expense	-	-	-	-	37,343	-	37,343
Other unallocated expenses	-	-	-	-	3,414	3,606	7,020
Net income	\$ 37,463	\$ 21,857	\$ 19,162	\$ 2,850	\$ (40,799)	\$ (3,606)	\$ 36,927

(dollar amounts in thousands of dollars)

2001	West	CANADA Central	East	U.S.	Unallocated	Trust	Total
Gross property rental							
income and recoveries	\$ 42,626	\$ 64,601	\$ 23,602	\$ 13,442	\$ -	\$ -	\$ 144,271
Operating expense	16,540	25,708	8,782	4,831	-	-	55,861
Net operating income	26,086	38,893	14,820	8,611	-	-	88,410
Amortization of real							
property investments	2,014	2,647	1,183	1,043	57	-	6,944
(Gain) loss on real							
property investments	(1,134)	(3,789)	731	-	-	-	(4,192)
Reduction of real property							
investments to net	2,250	-	-	-	-	-	2,250
recoverable amount							
Interest expense	-	-	-	-	35,384	-	35,384
Other unallocated expenses	-	-	-	-	3,933	4,051	7,984
Net income	\$ 22,956	\$ 40,035	\$ 12,906	\$ 7,568	\$ (39,374)	\$ (4,051)	\$ 40,040

2000	West	CANADA Central	East	U.S.	Unallocated	Trust	Total
Gross property rental							
income and recoveries	\$ 44,215	\$ 65,945	\$ 22,452	\$ 9,091	\$ -	\$ -	\$ 141,703
Operating expenses	16,272	28,465	8,473	2,962	-	-	56,172
Net operating income	27,943	37,480	13,979	6,129	-	-	85,531
Amortization of real							
property investments	2,317	2,967	1,097	319	42	-	6,742
(Gain) loss on real							
property investments	(362)	(2,714)	575	-	-	-	(2,501)
Interest expense	-	-	-	-	37,343	-	37,343
Other unallocated expenses	-	-	-	-	3,414	3,606	7,020
Net Income	\$ 25,988	\$ 37,227	\$ 12,307	\$ 5,810	\$ (40,799)	\$ (3,606)	\$ 36,927

(dollar amounts in thousands of dollars)

2001	Retail	Industrial	Office	Apartment	Unallocated	Trust	Total
Real property investments							
before accumulated							
amortization	\$ 403,872	\$ 504,822	\$ 148,203	\$ -	\$ -	\$ 337	\$ 1,057,234
2000	Retail	Industrial	Office	Apartment	Unallocated	Trust	Total
Real property investments							
before accumulated							
amortization	\$ 403,404	\$ 242,969	\$ 187,081	\$ -	\$ -	\$ -	\$ 833,454

(dollar amounts in thousands of dollars)

2001	West	CANADA Central	East	U.S.	Unallocated	Trust	Total
Real property investments before accumulated amortization	\$ 232,779	\$ 526,202	\$ 170,984	\$ 126,932	\$ -	\$ 337	\$ 1,057,234

2000	West	CANADA Central	East	U.S.	Unallocated	Trust	Total
Real property investments before accumulated amortization	\$ 263,315	\$ 340,933	\$ 148,081	\$ 81,125	\$ -	\$ -	\$ 833,454

West – British Columbia, Alberta, Saskatchewan, Manitoba

Central – Ontario

East – Quebec, Nova Scotia

18. COMMITMENTS

a) Property Management Contract

The Trust entered into a four-year property management contract, commencing August 1999, with O&Y Properties Inc. to provide property management services in respect of the Trust's Canadian properties. Property management fees vary by property, with an average rate of approximately 3% of cash receipts from gross property rental income and recoveries and, in most cases, are recoverable from tenants.

The Trust has not entered into a long-term contract for property management of its United States properties.

b) Sale of Office Properties

On December 21, 2001, the Trust entered into an agreement of purchase and sale to sell four office properties located in Calgary, Alberta for \$55.1 million. The sale is subject to certain conditions in favour of the purchaser.

c) Acquisition of Industrial Properties

On December 21, 2001, the Trust entered into an agreement of purchase and sale to buy eight industrial properties located in Edmonton, Alberta for \$52.7 million. The acquisition is subject to certain conditions in favour of the REIT.

19. REDUCTION OF REAL PROPERTY INVESTMENTS TO NET RECOVERABLE AMOUNT

The Trust has reduced the book value of its western office portfolio by \$2,250,000, to its net recoverable amount. The decision to list these assets for sale has shortened the time horizon over which the net recoverable amount is calculated.

20. COMPARATIVE FIGURES

Certain of the 2000 comparative figures have been reclassified to conform with the 2001 financial statement presentation.

21. SUBSEQUENT EVENT

Acquisition of Aquest Portfolio

On January 28, 2002, the Trust entered into an agreement of purchase and sale with Aquest REIT to purchase substantially all of its real property investments for total consideration of \$510 million. The Aquest portfolio consists of approximately 11 million square feet in 129 light industrial / flex space buildings located across Canada. The acquisition is conditional upon the Trust being satisfied with its due diligence on the properties. The Trust has also entered into an agreement of purchase and sale to sell a portion of the assets (19 properties consisting of 2.8 million square feet) being acquired from Aquest REIT for \$155.5 million. This agreement is also conditional upon the purchaser being satisfied with its due diligence of the properties.

On January 28, 2002, the Trust entered into a commitment with a syndicate of underwriters to sell 8,750,000 Trust units for gross proceeds of \$126,000,000 (net proceeds of \$120,560,000). The commitment also provides the syndicate of underwriters with an option to purchase another 1,750,000 Trust units for gross proceeds of \$25,200,000 (net proceeds of \$24,192,000) up to 48 hours prior to the close of the equity issue.

Also subsequent to year-end, the Trust entered into a commitment with two Canadian Chartered Banks to partially finance the acquisition of the Aquest portfolio in the amount of \$135 million. The credit facility will have a one-year term and bears interest at prime or bankers' acceptance plus 1.35% at the Trust's option, and will be secured by fixed charges on the properties being acquired. In addition, the Trust will assume approximately \$88 million of mortgages from the vendor on closing the transaction.

DISTRIBUTION REINVESTMENT PLAN

A Distribution Reinvestment Plan ("DRIP") was implemented July 15, 1996 and, as a result, Unitholders are entitled to have all distributions of income from the Trust automatically reinvested in additional Units.

These Units are reinvested at a price per Unit which is calculated based on the average of the weighted average of the five days prior to the payable date.

OBJECTIVES

The absence of any charges makes the DRIP a cost-effective method for reinvestment, providing for:

- growth, and
- better cash management

PROCEDURES

To utilize the Distribution Reinvestment Plan, please follow these easy steps:

1. Complete a DRIP application and send it to CIBC Mellon Trust Company or, if you wish to receive an application form, contact CIBC Mellon Trust Company.

2. Some brokerage firms allow for Distribution Reinvestment Plans on an approved basis. Please consult your advisor to ascertain availability.

3. Alternatively, should this avenue not be available, you have the option to register the Units in your name rather than in the name of your brokerage firm. Once you have done this, you can easily follow step 1.

4. If your Units are held in an RRSP with CIBC Mellon Trust Company, the Units will be automatically reinvested. If you wish to transfer your Units to a Single Purpose RRSP, to be eligible to participate in the plan or an alternative, please consult your current RRSP trustee to confirm access to the DRIP.

WHO TO CONTACT

CIBC Mellon Trust Company
P.O. Box 7010
Adelaide Street Postal Station
Toronto, Ontario
M5C 2W9

Answer Line™:
(416) 643-5500 or 1-800-387-0825
(Toll free throughout North America)
Facsimile: (416) 643-5501
Website: www.cibcmellon.ca
Email: inquiries@cibcmellon.ca

ENHANCED DRIP

To encourage participation in Summit's DRIP, registered Unitholders who have elected to receive their distributions in the form of Units will have the right to receive an additional amount equal to 5% of their distribution. Please contact your investment dealer or visit our website at www.summitreit.com for more details.

DISTRIBUTION INFORMATION

Proposed Schedule of Income Distributions for 2002

Distribution period	Record date	Payable date
January 1-31, 2002	January 31, 2002	February 11, 2002
February 1-28, 2002	February 28, 2002	March 11, 2002
March 1-31, 2002	March 29, 2002	April 10, 2002
April 1-30, 2002	April 30, 2002	May 10, 2002
May 1-31, 2002	May 31, 2002	June 10, 2002
June 1-30, 2002	June 28, 2002	July 10, 2002
July 1-31, 2002	July 31, 2002	August 12, 2002
August 1-31, 2002	August 30, 2002	September 10, 2002
September 1-30, 2002	September 30, 2002	October 10, 2002
October 1-31, 2002	October 31, 2002	November 11, 2002
November 1-30, 2002	November 29, 2002	December 10, 2002
December 1-31, 2002	December 31, 2002	January 10, 2003

Note: In the event of a public or private offering, there may be a requirement for unscheduled special distributions.

CORPORATE INFORMATION

BOARD OF TRUSTEES

John Roy
Chief Executive Officer and Trustee

Lou Maroun
*President, Chief Operating Officer
and Trustee⁽³⁾*

Eugene Bodycott
Independent Trustee⁽¹⁾⁽²⁾⁽⁴⁾

Kenneth Mader, F.C.A.
Independent Trustee⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

Saul Shulman, Q.C.
*Independent Trustee and
Chairman of the Board⁽²⁾⁽⁴⁾*

Donald Carr, Q.C.
Independent Trustee⁽²⁾⁽⁴⁾

Allan Olson
Independent Trustee⁽¹⁾⁽²⁾

The Board of Trustees has been constituted as a body to oversee the operations of the Trust on behalf of the Unitholders and to give direction and approvals to management following the guidelines embodied in the Declaration of Trust. The Board is composed of seven Trustees, two of whom are members of management of the Trust.

A Nominating/Governance Committee comprised solely of independent Trustees continues to review policies and proposed processes to enhance the governance of the REIT.

(1) Member of the Audit Committee

(2) Member of the Nominating/
Governance Committee

(3) Member of the Environmental Committee

(4) Member of the Compensation Committee

SENIOR MANAGEMENT

John Roy
Chief Executive Officer

Lou Maroun
President, Chief Operating Officer

Paul Dykeman, CA
*Senior Vice President, Finance and
Chief Financial Officer*

Mark Hazell
*Senior Vice President, Leasing and
Portfolio Management*

Craig Newell, CA
Vice President, Real Estate Finance

Jon Robbins
Vice President, Investments

OFFICE ADDRESS

Summit Real Estate
Investment Trust
5991 Spring Garden Road,
9th Floor
Halifax, Nova Scotia B3H 1Y6
Telephone: (902) 421-1222
Facsimile: (902) 420-0559

AUDITORS

Deloitte & Touche LLP

TRANSFER AGENT AND REGISTRAR

Investors are encouraged to contact our Transfer Agent and Registrar, CIBC Mellon Trust Company, for information regarding their security holdings. They can be reached at:

CIBC Mellon Trust Company
P.O. Box 7010
Adelaide Street Postal Station
Toronto, Ontario M5C 2W9

Answer Line™:
(416) 643-5500
or 1-800-387-0825
(Toll free throughout
North America)

Facsimile: (416) 643-5501
Website: www.cibcmellon.ca
Email: inquiries@cibcmellon.ca

UNITHOLDER AND INVESTOR CONTACT

Paul Dykeman, CA
Senior Vice President, Finance and
Chief Financial Officer
Telephone: (902) 421-1222
Facsimile: (902) 420-0559
Email: pdykeman@summitreit.com
Website: www.summitreit.com
Toll free: 1-866-786-6481

UNIT LISTING

The Units are listed on the
Toronto Stock Exchange under
the symbol SMU.UN.

ANNUAL GENERAL MEETING

Tuesday, May 21, 2002
at 10:30 am
The Toronto Stock Exchange Auditorium
The Exchange Tower
2 First Canadian Place
Toronto, Ontario

John Roy



Lou Maroun



Paul Dykeman



Mark Hazell

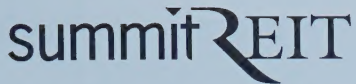


Craig Newell



Jon Robbins





UNITHOLDER DISTRIBUTION REINVESTMENT PLAN

Through Summit's Distribution Reinvestment Plan (DRIP), Unitholders of Summit REIT can purchase additional Units on a monthly basis directly from the Trust with their cash distributions. In addition, Unitholders registered in the Plan will receive an additional number of Units equal to 5% of their reinvested distributions. There are no commissions, brokerage fees or other service charges.

To receive full information about the Plan and an authorization form to enroll, please fill in the requested information below and return this card to the address shown:

Name:

Address:

Telephone:

Email:

Affix
Postage

TO: CIBC MELLON TRUST
Attn: Moe Haniff, Mailing Services
200 Queens Quay East, Unit 6
Toronto, ON M5A 4K9

nscontinental • Johnston Industrial Plastics • Les Fermes D'Athelstan Inc. • Nippon Express Canada Ltd. • Bestar Marketing Inc. • Access Direct Inc. • Gage
 llied Inc. • Entreposage et Logistique D.I. • Valmet Fibertech Ltd. • Le Naturiste JMB Inc. • Distribution Quebec Den • Paper & Board Products • Impressions
 ra-Media • Disca Automatisation • Installations de Bureau • Commercial Alcohols Int. • Brasserie Seigneuriale • Éditions Mortagne • Groupe Ultra-Pac Inc. •
 ar Cosmetiques Inc. • SDCEM Inc. • Burnham Logistics Inc. • Distributions Mep Inc. • Sports d'Argenson • Serti Informatique • Johnson Controls Ltd. • Les
 nchers Nova • Lumen • Mon-Ter-Val • Historia International • Service Maillex • Rite-Tek • Pharmacia & Upjohn • Carrier Canada • Recuperation Jeunesse •
 corp Industries • Profom • Eastern Independent Tel. • Convexpert Inc. • Distribution Metropole • Daemar Inc. • Les Distributions PPM • Multifor Limited •
 ncurl • Cancino Technologies • Distribution Alimentaire • Viterie Lessard • Europack Déménagement • Fisher Scientific Limited • Syscan International Inc. •
 Q • National Safety Equipment • Marquez Transtech Ltd. • Acklands-Grianger Inc. • Omega Sewmack Inc. • ISO Tech Designs • Len-Jay Inc. • Mini Micro
 ply, Ernest Green & Son • Natursource Inc. • Adorable Junior Garment • Keystone Industries, Servident • Miranda Media Networks **NOVA SCOTIA**
 tionwide Warehouse & Storage • Import Tool Corp Ltd. • Eastern Bakeries Ltd. • Atlantic Lottery Corp Inc. • RCMP • CDN-NS Offshore Petroleum Board •
 lker Exhausts • Vopak Canada Ltd. • RJ Spagnol's • MI Drilling Fluids • Medic Delivery Services • Eisener's Transport Ltd. • Kinecor Inc. • Mitten Vinyl Inc. •
 e Fastener Center • RCS Retail Construction • The Allen Print • Livingston Int. • VitalAire Company • Karlo Corp. • Humpty Dumpty • Allied Reclamation • GE
 ymershapes • Reliable Parts Limited • Staples Business Depot • Pax Properties Ltd. • WESCO Distribution • Sun Chemical Ltd. • Aliant ActiMedia • Honda
 ada Inc. • Liteco Inc. • Honeywell Ltd. • Siemens Canada Ltd. • Canadian chartered bank **FLORIDA** Nuvel Financial Services Corp. • Productivity Solutions
 aufen International • Dal-Tile Corporation • Lennox Industries Inc. • Service Champ • American Wholesale Building • Contec International • H. Lee Moffitt
 nker Center • Musculoskeletal Institute **NORTH CAROLINA** First Data Investors **SASKATCHEWAN** Saskatchewan Liquor & Gaming Authority • Hleck
 nuka Thuringer Inc. • Saskatchewan Pty. Mgmt. Corp. • Public Works & Gov't Serv. Can. **BRITISH COLUMBIA** BCBC L4320 • Danfoss Couriers • Western
 bber Products • Crown Forest Industries • Mueller Flow Control **ALBERTA** All Rush Distribution Centre Inc. • Sokil Transportation Group • Southern Tube
 d. • J.A.S. Industrial Services • Powderful Custom Coatings • Beatrice Foods Inc. • Burnham Logistics • BC Belting • Fitness Depot • Akzo Nobel Coatings Ltd.
 algary Caretaking • Aca Audio Visual Ltd. • CFM Air Equipment • All Weather Windows • Akrilon Industries Inc. • Ronsco Inc. • Capital Paper Recycling • Motion
 ustries • Hogedal Furniture • All Brite Metal Fin. • Capital Industrial Sales • Canwest Textiles • Clarke Transport Canada • MDS Warehouse • North American
 ofiles • MacGavin Foods Limited • Sears Canada Inc. • Iron Mountain Canada • Kadon Electro Mech. • Process Color Print • Kova Engineering Ltd. • Tri-Jay
 rpets • P.S. Graphics • A-1 Signs • WFF Fittings & Flanges • Premier Packaging • NSI Holdings Inc. • Perfect Distributors • Crown Express • Keaco Services •
 V Gill Supply Company • Torchinsky Engineering • Custom Polyrecycling • Chariot Carriers • Walls Alive Ltd. • Cal-Ed Carpet • Gilchrist Data Fax • Norwesco
 ustries • Francis Food Dist. • Con-Way Canada • Carmacks Enterprise • Amici Enterprises • TCT Canada Logistics • The Cedargien Group • HJ Heinz Company
 CNC Proficient Machine • Diagnostic Engineering • CCD Western Limited • Regal Building material • Inland Audio Visual • Bock Roofing • Kitchen & Patio •
 entek Building Products • Caremark Ltd. • Regal Building Material • Trans-Frt. McNamara Inc. • Worldwide Specialty Foods • Quality Cold Storage • H&R Block
 Shaw Cablesystems • Creative Door Services • Vitality Foodservice • McIntyre Group Office Solutions • Siemens Building Technology • Contemporary Office
 Services • Public Works Supply & Services • Totem Building Supplies • Aspen Family & Community Network • Inglis Limited • Dejong Printing • Honeywell •
 ulligan • Rival Express • Big Eight Importers • Sturgeon Valley Athletic Centre • Pro Show Services • Canpar Transport • Hostess Frito Lay • A.M. Castle & Co.
 EMCO Limited • CN Rail • Costco Wholesale and Printworks Ltd. • Data Business Forms Ltd. • Weatherford • Boncor Building • Formations Inc. • Dana Canada
 Hi Tech Heat Treating • Swarm Enterprises Ltd. • Mobil Shred • PPG Canada Inc. • 7-Eleven Canada • Hitech Norway Ltd. • Hothouse Design Studio • Albrico
 Services • Hinz Automation Inc. • Altelec Engineering • Raven Manufacturing • Innovative Plastics • MDC Communications Corp. • CFCW Broadcasting • Sunny
 atio Furnishings • MTE Logistix • Toxon Health Sciences • Rose Scientific Ltd. • MSA Canada Inc. • Cloverdale Paint Inc. • Canadian Springs Water • Pamalat
 airry • Serca Food Services Inc. • Sobeys Canada Inc. • AGS Group Inc. • Superior Pallett Corp • Hardwood Direct • Luscar • Vipond Fire Protection • Flyer
 orce • Pacific Radiator **MANITOBA** Morrow Environmental • Powell Equipment • R-Con Centres Inc. • Burnham Logistics Inc. • Can-For Weldwood • The Great
 est Life Assurance Co. • Emco • Crystalplex • Canadian Inovatech Inc. • Regal Greetings & Gifts Ltd. • Jostens Canada Ltd. • Standard Auto Glass • Brinks
 anada Inc. • Salisbury House • Labatt Manitoba Brewing • Unisys Canada Inc. • Dept. of Public Works • Danka Canada Ltd. • Dynaventure Corp •
 ranscontinental Print and Gescan **ONTARIO** Gentek Building products • Atlas Paper Bag Co. • RVA Exhibits • Carleton Technologies • Next Trend Designs Inc.
 OZAWA Canada • Fairchild • Keith Mowling • Creative Space • Rody & Co. Marketing • Greenleaf Distribution • Sigma Moulders • Key Plastics • J&R Gas •
 merican National Canada Inc. • Saicon Fashions • M.R. & M. Bilsky Corp • CTF Supply • Walsh Pharmaceutical • Hotline Express Delivery Services • Strategic
 ackaging Inc. • Westbrook Technologies • Wood Wyant Inc. • Quality Service Program • Liftow Limited • Devro-Teepak • GI Seafood • RB & W Corporation • NCS
 nternational Warehouse Storage • Georgetown Store Fixtures • Famlife Furniture & Supply Co. • Hitch City • Ferrara Pan Candy • Cope Marketing • Komme
 nternational • Imperial Brass • Voxcom • Oxford Development • Yorkland Controls • Ferrara Pan Canada • Jason Industrial • Plas Weld • The Paper Express Shop
 A&P Properties Ltd. • Brambles Canada Ltd. • Trusea Technologies Ltd. • Roff International Inc. • Schifffenhaus Canada Inc. • The Canada Trust Company •
 nterprint Services (1978) Inc. • Permatech Electronics • Canadian Clothing • Magnus Pen • Goldcoaster • Prothane Ltd. • Canadian Red Cross • Nestle • Sheridan
 ark Association • Bestbuy Distributors Limited. • Canberra Packard Canada Ltd. • Pioneer Standard Electronics • United Parcel Service • Make-Up Art
 Cosmetics Manufacturing • Artisan Screen Print Ltd. • Instep Electronics & Shaleen • Micris One Manufacturing & Distribution • Lind Furniture (Canada) •
 Polyone Distribution Canada Inc. • Peacebridge Brokerage Limited • Canada Woodtape Inc. • Moreau Promotional Services • J.F.B. Technologies Inc. • FarleyCo

Market Inc. • Nitta Castings (Canada) Inc. • Rayovac Canada Inc. • Sifto Canada Inc. • Tereve Holdings Limited • Ademco Group Canada • Formet Industries • Ryder Truck Rental Canada Ltd. • Effem Inc. • National Archives • Echo Inc. • FPI Fireplace Products International • Photon Technology Limited • Emco • Medis Health & Pharm. • All Continents • Source FM • MCL Construction & Services Ltd. • Manotick Pool & Spa Inc. • MCL Hospitality Ltd. • Busy Bee Machine Tools • ICI Paints • CCR • Canadian Health • Government of Canada • Tire Stars Group Inc. • Bluebird Transportation Systems • Royal Canadian Mint • Canwell **QUEBEC** Qualum Inc. • Intertek Testing Services NA • Medias Transcontinental • Johnston Industrial Plastics • Les Fermes D'Athelstan Inc. • Nippon Express Canada Ltd. • Bestar Marketing Inc. • Access Direct Inc. • Gage Applied Inc. • Entrepotage et Logistique D.I. • Valmet Fibertech Ltd. • Le Naturiste JMB Inc. • Distribution Quebec Den • Paper & Board Products • Impressions Intra-Media • Disca Automatisation • Installations de Bureau • Commercial Alcohols Int. • Brasserie Seigneuriale • Éditions Mortagne • Groupe Ultra-Pac Inc. • Sopar Cosmétique Inc. • SDCM Inc. • Burnham Logistics Inc. • Distributions Mep Inc. • Sports d'Argenson • Serti Informatique • Johnson Controls Ltd. • Les Planchers Nova • Lumen • Mon-Ter-Val • Historia International • Service Maillex • Rite-Tek • Pharmacia & Upjohn • Carrier Canada • Recuperation Jeunesse • Avcorp Industries • Profom • Eastern Independent Tel. • Convexpert Inc. • Distribution Metropole • Daemar Inc. • Les Distributions PPM • Multifor Limited • Cancurl • Cancino Technologies • Distribution Alimentaire • Viterie Lessard • Europack Déménagement • Fisher Scientific Limited • Syscan International Inc. • SAQ • National Safety Equipment • Marquez Transtech Ltd. • Acklands-Grianger Inc. • Omega Sewmack Inc. • ISO Tech Designs • Len-Jay Inc. • Mini Micro Supply, Ernest Green & Son • Natursource Inc. • Adorable Junior Garment • Keystone Industries, Servident • Miranda Media Networks **NOVA SCOTIA** Nationwide Warehouse & Storage • Import Tool Corp Ltd. • Eastern Bakeries Ltd. • Atlantic Lottery Corp Inc. • RCMP • CDN-NS Offshore Petroleum Board • Walker Exhausts • Vopak Canada Ltd. • RJ Spagnol's • MI Drilling Fluids • Medic Delivery Services • Eisener's Transport Ltd. • Kinecor Inc. • Mitten Vinyl Inc. • The Fastener Center • RCS Retail Construction • The Allen Print • Livingston Int. • VitalAire Company • Karlo Corp. • Humpty Dumpty • Allied Reclamation • GE Polymershapes • Reliable Parts Limited • Staples Business Depot • Pax Properties Ltd. • WESCO Distribution • Sun Chemical Ltd. • Aliant ActiMedia • Honda Canada Inc. • Liteco Inc. • Honeywell Ltd. • Siemens Canada Ltd. • Canadian chartered bank **FLORIDA** Nuvel Financial Services Corp. • Productivity Solutions • Laufen International • Dal-Tile Corporation • Lennox Industries Inc. • Service Champ • American Wholesale Building • Contec International • H. Lee Moffitt Cancer Center • Musculoskeletal Institute **NORTH CAROLINA** First Data Investors **SASKATCHEWAN** Saskatchewan Liquor & Gaming Authority • Hleck Kanuka Thuringer Inc. • Saskatchewan Pty. Mgmt. Corp. • Public Works & Gov't Serv. Can. **BRITISH COLUMBIA** BCBC L4320 • Danfoss Couriers • Western Rubber Products • Crown Forest Industries • Mueller Flow Control **ALBERTA** All Rush Distribution Centre Inc. • Sokil Transportation Group • Southern Tube Ltd. • J.A.S. Industrial Services • Powderful Custom Coatings • Beatrice Foods Inc. • Burnham Logistics • BC Belting • Fitness Depot • Akzo Nobel Coatings Ltd. • Calgary Caretaking • Aca Audio Visual Ltd. • CFM Air Equipment • All Weather Windows • Akrilon Industries Inc. • Ronsco Inc. • Capital Paper Recycling • Motion Industries • Hogedal Furniture • All Brite Metal Fin. • Capital Industrial Sales • Canwest Textiles • Clarke Transport Canada • MDS Warehouse • North American Profiles • MacGavin Foods Limited • Sears Canada Inc. • Iron Mountain Canada • Kadon Electro Mech. • Process Color Print • Kova Engineering Ltd. • Tri-Jay Carpets • P.S. Graphics • A-1 Signs • WFF Fittings & Flanges • Premier Packaging • NSI Holdings Inc. • Perfect Distributors • Crown Express • Keaco Services • DW Gill Supply Company • Torchinsky Engineering • Custom Polyrecycling • Chariot Carriers • Walls Alive Ltd. • Cal-Ed Carpet • Gilchrist Data Fax • Norwesco Industries • Francis Food Dist. • Con-Way Canada • Carmacks Enterprise • Amici Enterprises • TCT Canada Logistics • The Cedargien Group • HJ Heinz Company • CNC Proficient Machine • Diagnostic Engineering • CCD Western Limited • Regal Building material • Inland Audio Visual • Bock Roofing • Kitchen & Patio • Gentek Building Products • Caremark Ltd. • Regal Building Material • Trans-Frt. McNamara Inc. • Worldwide Specialty Foods • Quality Cold Storage • H&R Block • Shaw Cablesystems • Creative Door Services • Vitality Foodservice • McIntyre Group Office Solutions • Siemens Building Technology • Contemporary Office Services • Public Works Supply & Services • Totem Building Supplies • Aspen Family & Community Network • Inglis Limited • Dejong Printing • Honeywell • Culligan • Rival Express • Big Eight Importers • Sturgeon Valley Athletic Centre • Pro Show Services • Canpar Transport • Hostess Frito Lay • A.M. Castle & Co. • EMCO Limited • CN Rail • Costco Wholesale and Printworks Ltd. • Data Business Forms Ltd. • Weatherford • Boncor Building • Formations Inc. • Dana Canada • Hi Tech Heat Treating • Swarm Enterprises Ltd. • Mobil Shred • PPG Canada Inc. • 7-Eleven Canada • Hitech Norway Ltd. • Hothouse Design Studio • Albrico Services • Hinz Automation Inc. • Altelec Engineering • Raven Manufacturing • Innovative Plastics • MDC Communications Corp. • CFCW Broadcasting • Sunny Patio Furnishings • MTE Logistix • Toxon Health Sciences • Rose Scientific Ltd. • MSA Canada Inc. • Cloverdale Paint Inc. • Canadian Springs Water • Pamalat Dairy • Serca Food Services Inc. • Sobey's Canada Inc. • AGS Group Inc. • Superior Pallett Corp • Hardwood Direct • Luscar • Vipond Fire Protection • Flyer Force • Pacific Radiator **MANITOBA** Morrow Environmental • Powell Equipment • R-Con Centres Inc. • Burnham Logistics Inc. • Can-For Weldwood • The Great West Life Assurance Co. • Emco • Crystalplex • Canadian Inovatech Inc. • Regal

summitREIT

Summit Real Estate Investment Trust
5991 Spring Garden Road, 9th Floor
Halifax, Nova Scotia B3H 1Y6

Telephone: (902) 421-1222
Facsimile: (902) 420-0559

www.summitreit.com

Greetings & Gifts Ltd. • Jostens Canada Ltd. • Standard Auto Glass • Brinks Canada Inc. • Salisbury House • Labatt Manitoba Brewing • Unisys Canada Inc. • Dept. of Public Works • Danka Canada Ltd. • Dynaventure Corp • Transcontinental Print and Gescan **ONTARIO** Gentek Building products • Atlas Paper Bag Co. • RVA Exhibits • Carleton Technologies • Next Trend Designs Inc. • OZAWA Canada • Fairchild • Keith Mowling • Creative Space •